

Leg. Finance - Finance Comte Files (1971-72) 8879

HB 58 cont.

44

University of Alaska
Unit Costs of Instruction
Year Ended June 30, 1970

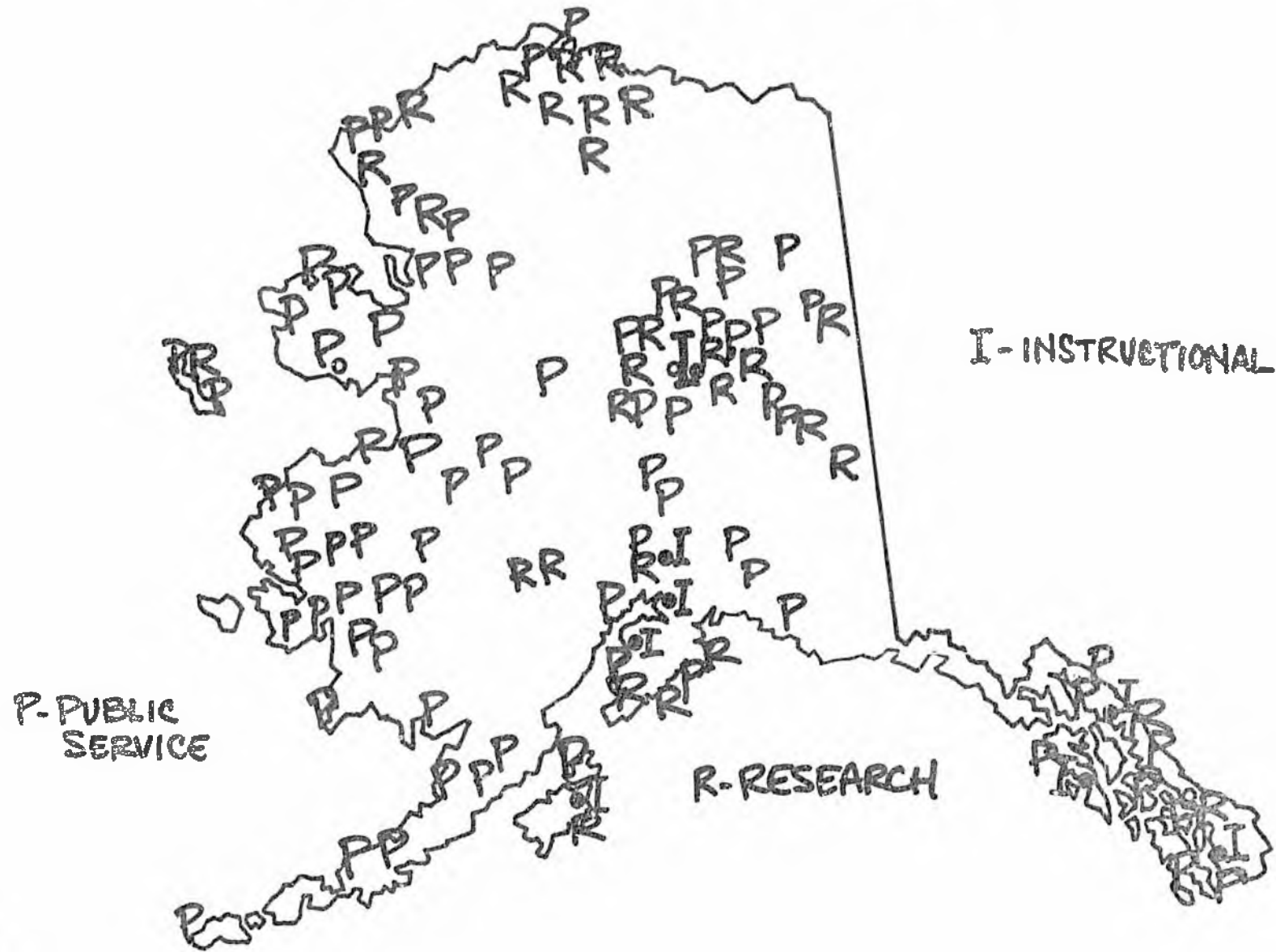
	Total Redistributed Costs *	Number of Students Fall Sem	Credit Hours Taken Full Year	Unit Costs -Per Student -Per Cr Hr
Instruction:				
On Campus	7,462,803	2,225		3,354.00
			52,036	143.00
Southcentral Regional Ctr	749,727	1,673		448.00
			16,553	45.00
Community Colleges	2,564,762	2,327		1,102.00
			27,968	92.00
Public Service	2,011,202	537 **		
			4,295 **	
Organized Research	10,988,575			
Auxiliary Enterprises	<u>4,213,302</u>	-----	-----	
Total Expenditures	<u>27,990,371</u>			
Total Students - Fall		<u>6,762</u>		
Total Credit Hours - Fall Semester			<u>100,852</u>	

* Note: All "overhead" costs, including Library, Physical Plant M&O, Administration and Student Services, have been redistributed on an "overhead rate" basis, and have been added to the respective "direct" costs of the above basic functions.

** These are for credit courses only, but Public Service costs include those for non-credit extension and other public services.



Programs & Facilities



PROGRAMS AND FACILITIES

- A. This picture illustrates the location of University instructional units, including ten community colleges or programs, and the University of Alaska at Juneau, Anchorage, and College.
- B. This overlay adds the locations at which short courses, conferences, extension and evening classes, films and other programs of the Division of Statewide Services are offered.
- C. This overlay adds the facility and program sites at which the University conducts basic and applied research.

* * * * *

The main point of this illustration is, of course, to assist the viewer in visualizing the University as a statewide system, each year becoming more diffuse in response to instructional, research and cultural needs. The National Association of State Universities and Land-Grant Colleges recently described our single governing board system as being among the three most efficient systems in the country.

**ACADEMIC ENROLLMENT
FALL SEMESTER 1970-71**

UNIT	HEADCOUNT ENROLLMENT	FULL-TIME STUDENT EQUIVALENT	ACADEMIC STUDENT CREDIT HOURS
MAIN CAMPUS	2681	2241	32,807
SOUTHCENTRAL REGIONAL CENTER	5032	2017	29,250
STATEWIDE SERVICES	853	262	3,850
TOTAL	8566	4520	65,907

ACADEMIC ENROLLMENT

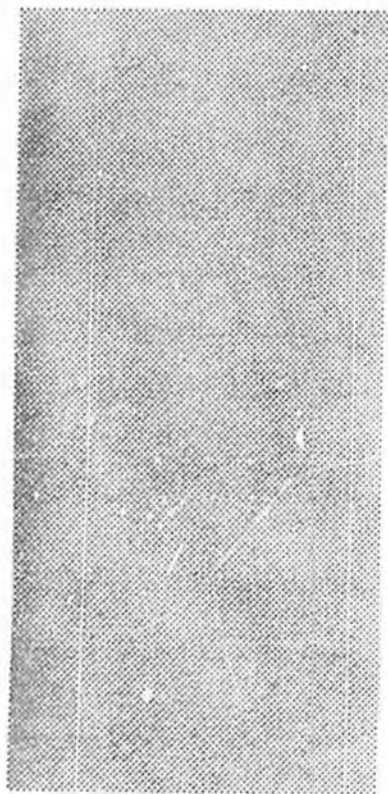
This chart shows, in three general categories, the breakdown of student enrollment for the first semester of student enrollment for the first semester of 1970-71. As you will note, three conventional measurements of student enrollment are given for each major groups-- the Main Campus, the Southcentral Region, and Statewide Services, including the Southeast Region.

"Headcount" means all students who register for one or more credit courses.

"Full-time equivalent" is derived by dividing total academic *undergraduate* student credit hours by ~~12~~ ^{15 and graduate cc hrs by 10}. A student must take twelve credit hours to be considered a full-time student.

"Academic student credit hours" means total number of credit hours taken by all registered students.

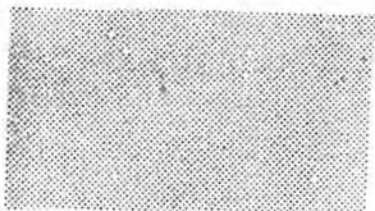
33%



SOUTHCENTRAL

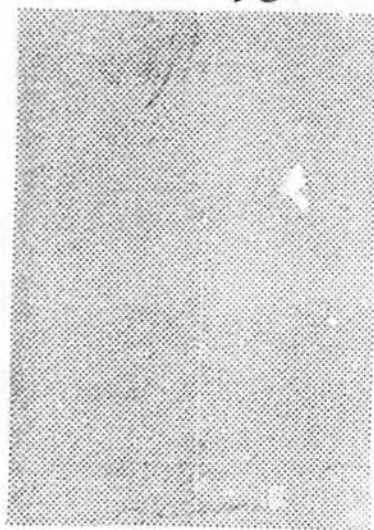
% INCREASE IN ENROLLMENT OVER LAST YEAR

12%



STATEWIDE SERVICES
& SOUTHEAST

20%



COLLEGE CAMPUS

INCREASE IN ENROLLMENT

As you will note, this represents an increase of 33% over last year for students enrolled in first semester credit courses in the Southcentral Region; a 12% increase in the Southeast Region and Statewide Services; and a 20% increase at the College campus.

ENROLLMENT

5.9%



NATIONAL AVERAGE

27%



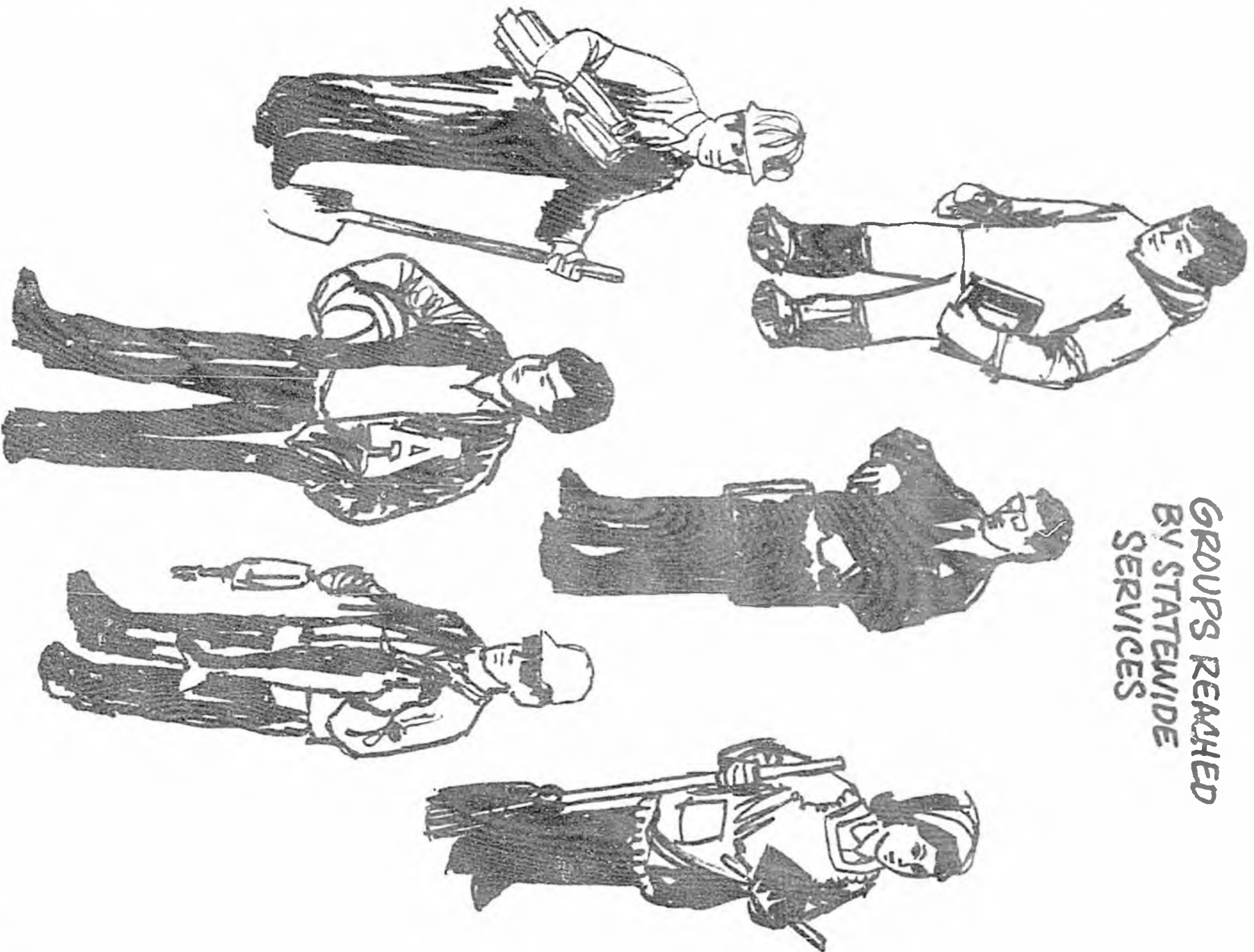
UNIVERSITY OF ALASKA

ENROLLMENT INCREASE HIGHEST IN NATION

As this graph shows, the increase in student enrollment last year in universities nationally was 5.9%.

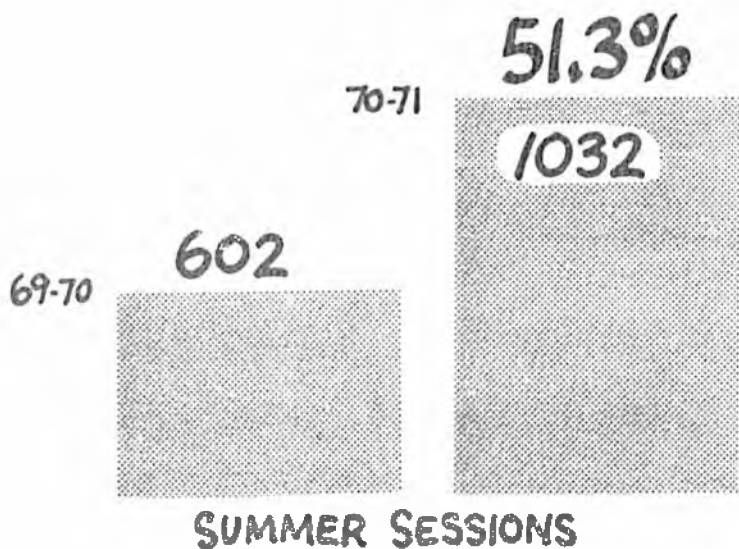
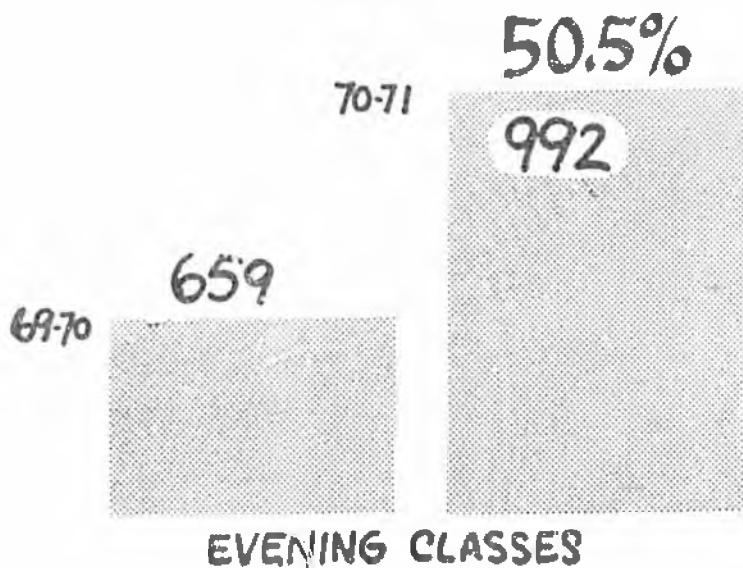
By contrast, the University of Alaska's total increase was a whopping 27%, the highest in the nation.

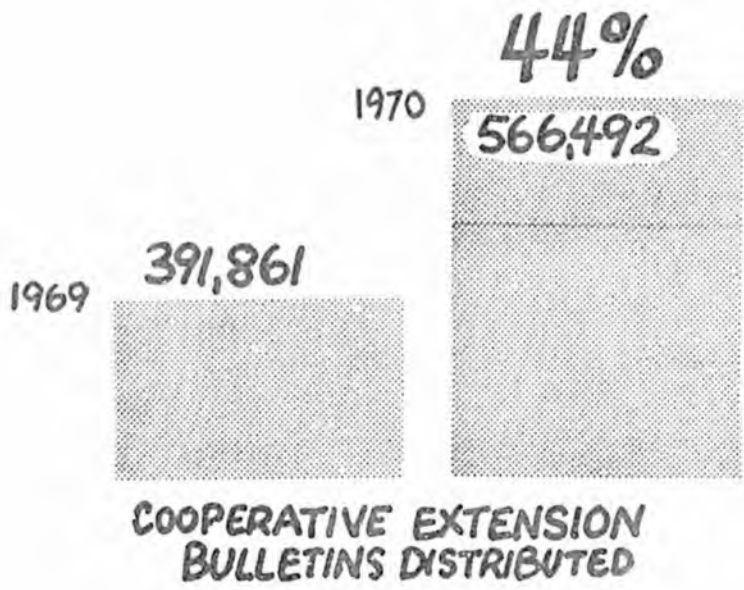
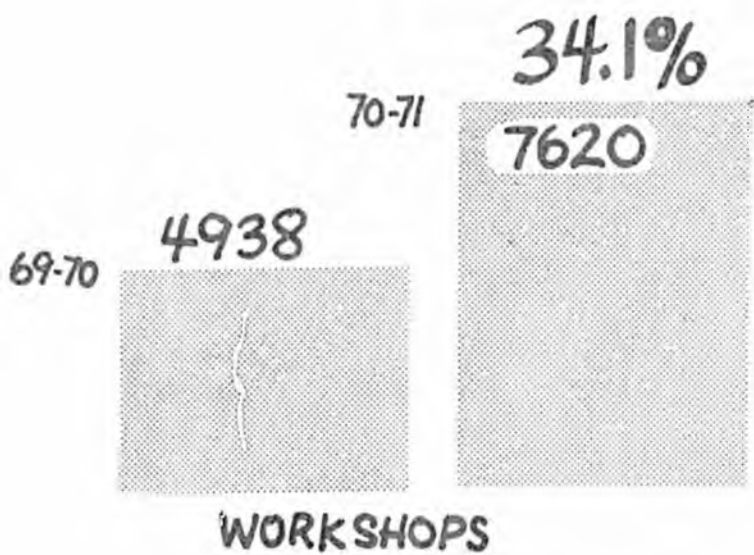
GROUPS REACHED
BY STATEWIDE
SERVICES



GROUPS REACHED BY STATEWIDE SERVICES

As this picture illustrates, the University of Alaska reaches out to students far beyond the conventional campus classroom. Through its Division of Statewide Services, such diverse and widely scattered groups as farmers, businessmen, government workers, homemakers, native artists, miners, fishermen, tourists, youth, and military personnel take credit and non-credit courses each year without leaving their home areas.





INCREASE IN PUBLIC SERVICE ACTIVITIES

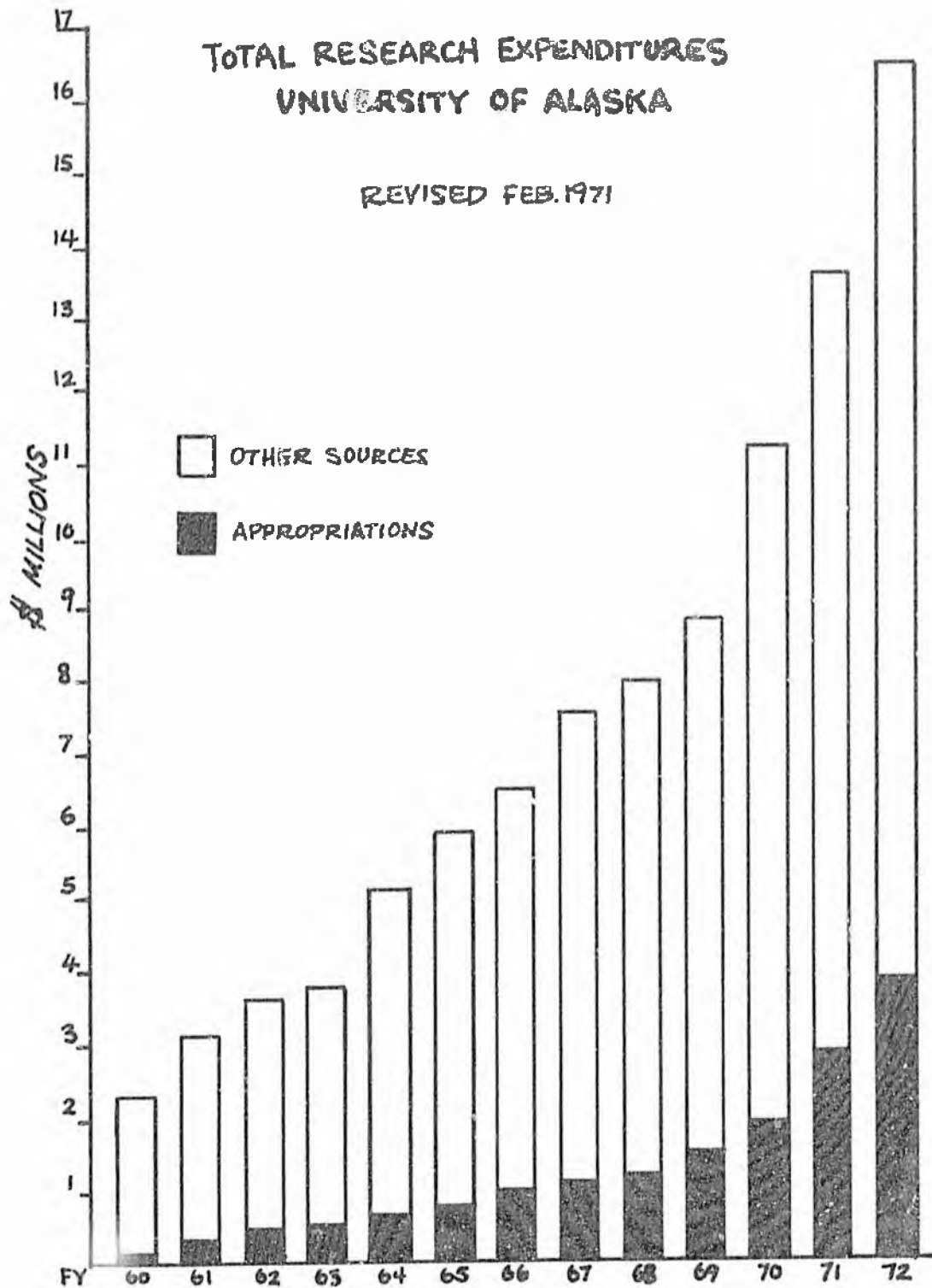
Because of the availability of these continuing educational opportunities, 50.5% more Alaskans attend evening classes this year than last; 34% more attend workshops, short courses and conferences; and 51.3% more attend summer sessions.

In response to demand, the numbers of bulletins and other pieces of information prepared and distributed by the Department of Cooperative Extension was boosted by 44%.

In addition, more than 300,000 people saw films and heard recordings distributed by the Department of Media Services. University radio programs are heard daily by thousands; and beginning this fall, the University's full-color educational television station will add immeasurably to this range of services.

TOTAL RESEARCH EXPENDITURES UNIVERSITY OF ALASKA

REVISED FEB. 1971

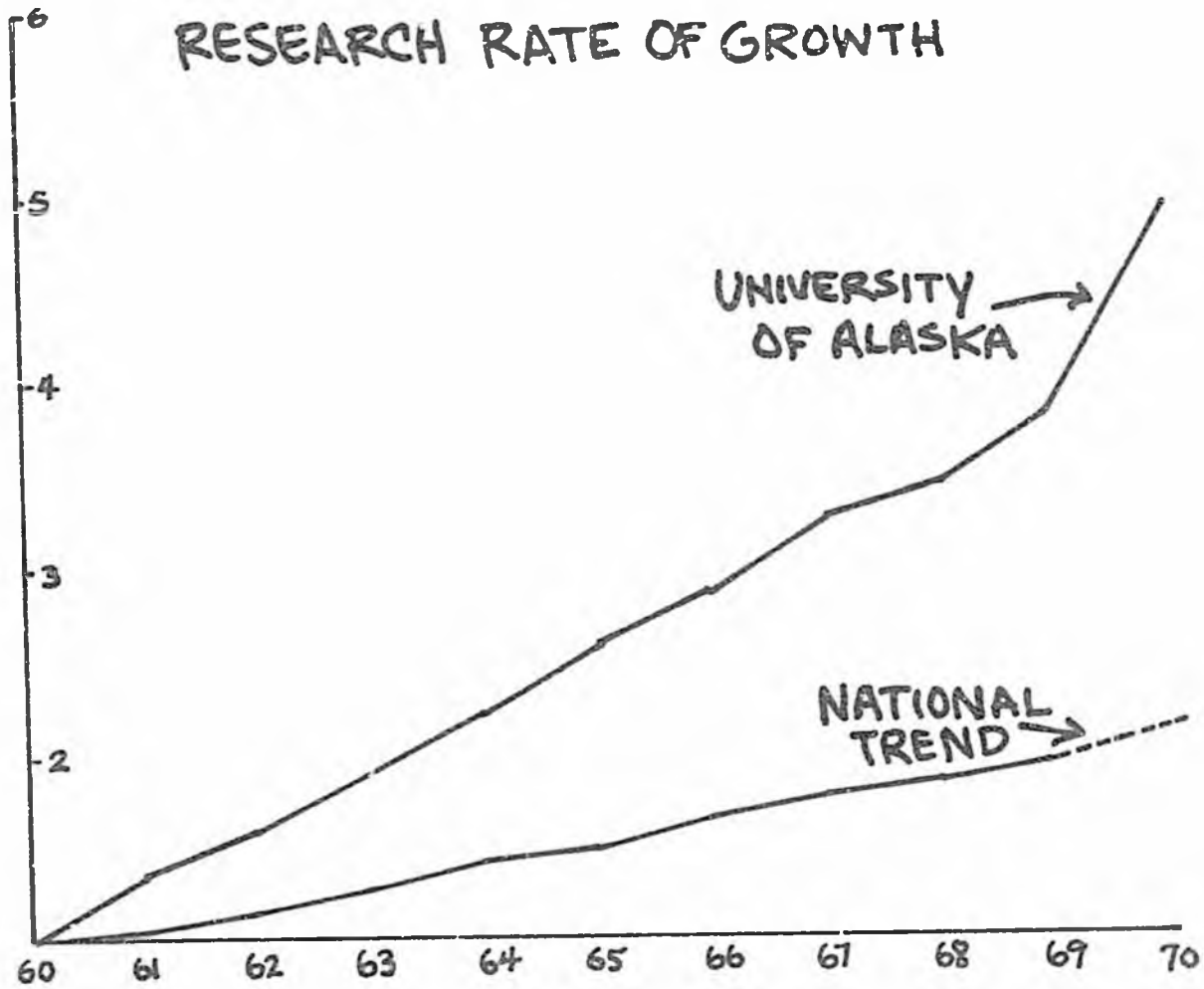


RESEARCH GROWTH

The University of Alaska continues to be a nationally recognized center for research and advanced study. This graph depicts the remarkable growth of research during the past decade. The lower, dark part of the bars indicates the State's portion of research expenditures. The upper, light part of the bars indicates the Federal contribution.

As computation will show, organized research brings more than \$5.00 of outside money to the State for every one dollar appropriated. Organized research will total about \$13.5 million this academic year. The State's portion of the total is projected to be about \$2.8 million.

RESEARCH RATE OF GROWTH

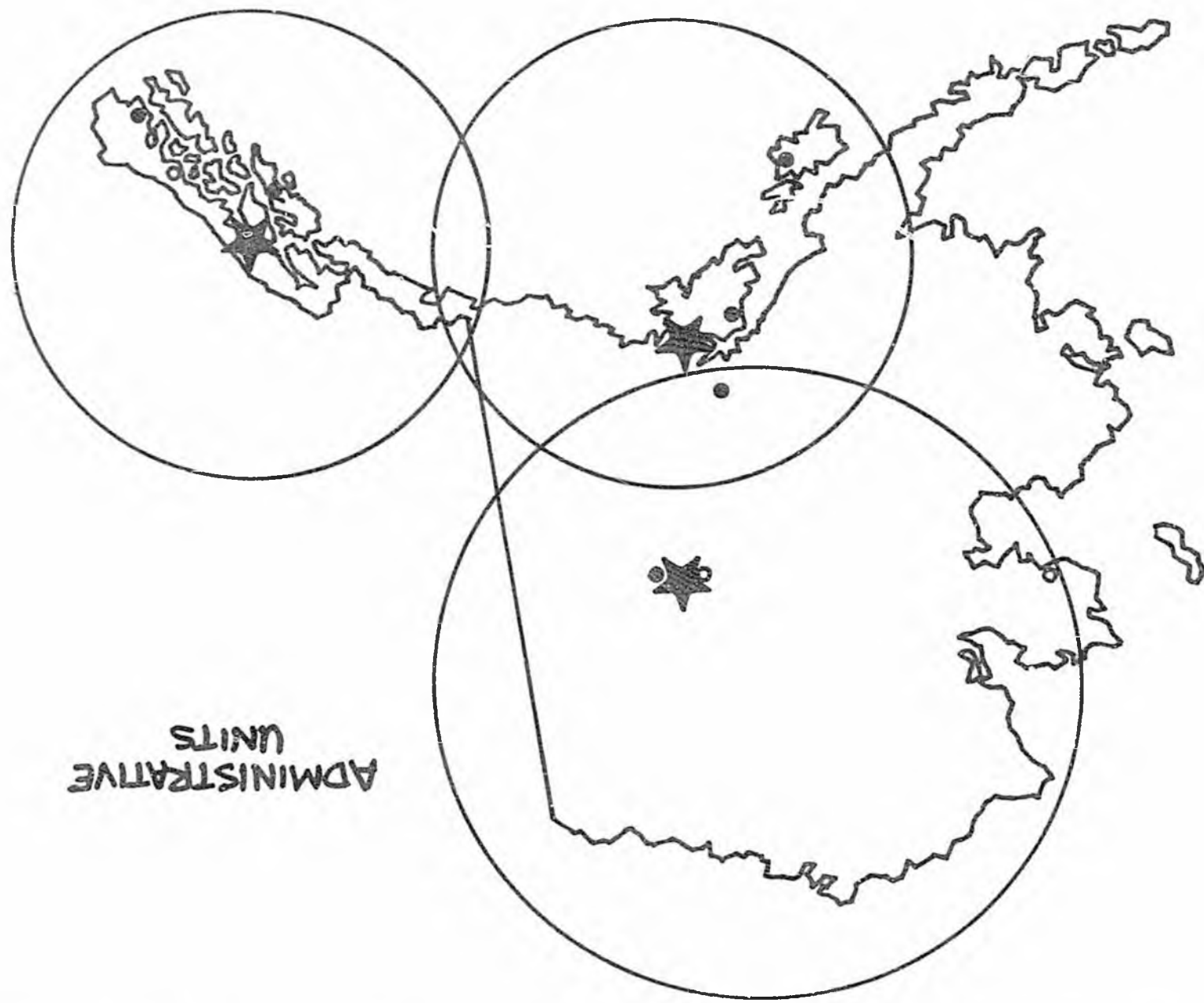


1-1

RATE OF RESEARCH GROWTH

This graph, comparing University of Alaska research trends with national university research trends, dramatically illustrates the value the Federal Government places on our programs. While Federal support is diminishing as a national trend, it continues to sweep upward at the University of Alaska.

Particularly at a land-grant institution, research is kept in tune with the practical requirements of the State and the nation; and as Alaska grows, so grows the emphasis on solving problems peculiar to the people, resources and climate of the North Pacific area, of which Alaska is ideally located for such investigation. As an integral part of advanced study, "teaching-research" is closely interwoven at the master's, doctoral and post-doctoral levels of study.



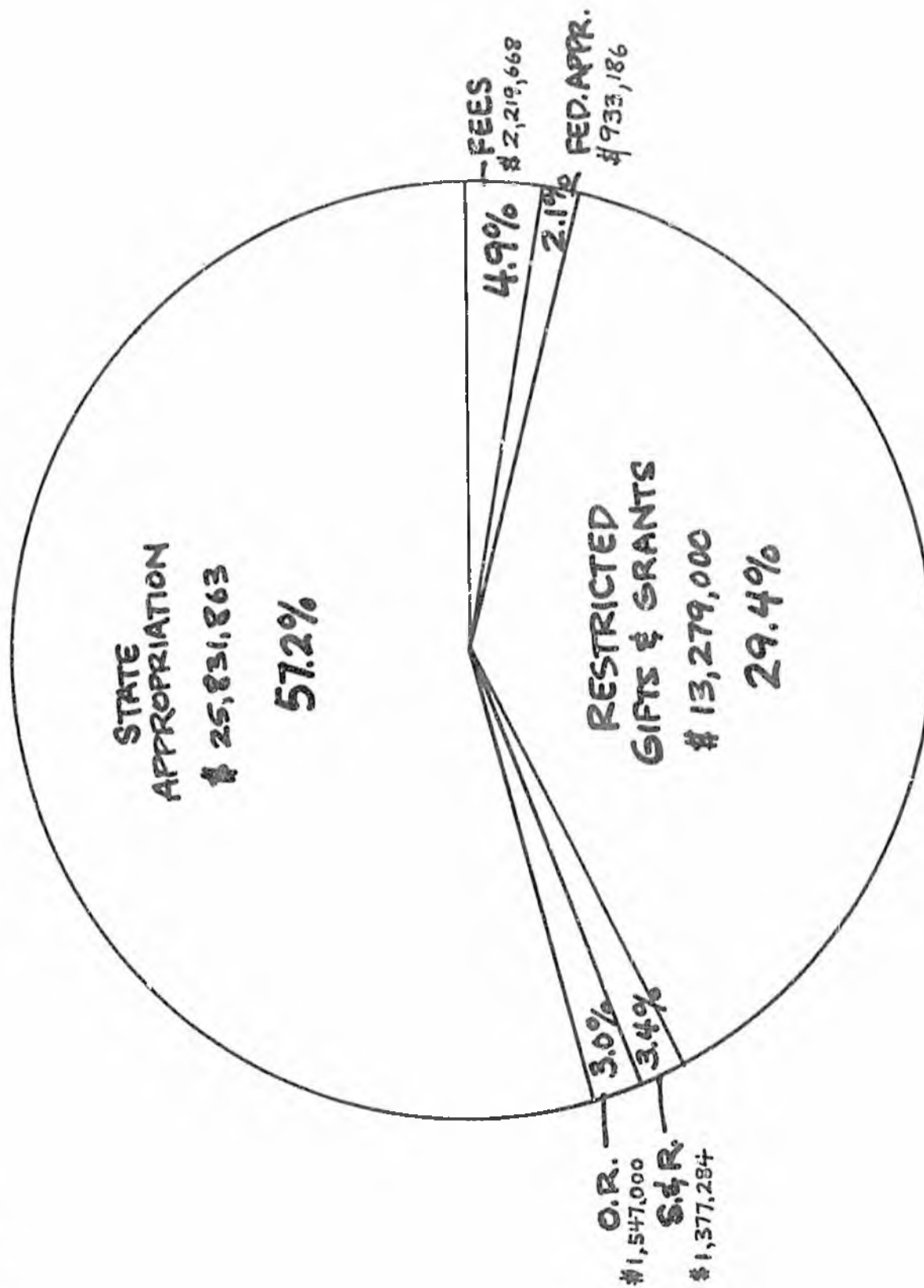
ADMINISTRATIVE
UNITS

ADMINISTRATIVE UNITS

This picture shows the administrative units of the University, including seven resident community college directors, a resident provost for each region, a newly appointed State Registrar and the University President at College. The stars indicate a central administration center for each region and the circles roughly encompass the service areas.

The objectives of this decentralization are to provide a lower cost college education at home, to install vocational, adult and retraining programs to fit local needs, and to organize service and administrative units sensitive to both local and statewide needs.

1971-72 TOTAL RESOURCES \$45,188,001



TOTAL RESOURCES

This graph represents the total resources of the University as projected for 1971-72.

* * * * *

A. The green section of the diagram is the State's portion of anticipated resources. As you will note, this amounts to \$25,831,863--57.2% of the total.

B. The blue portion, made up of four segments, represents anticipated revenue from:

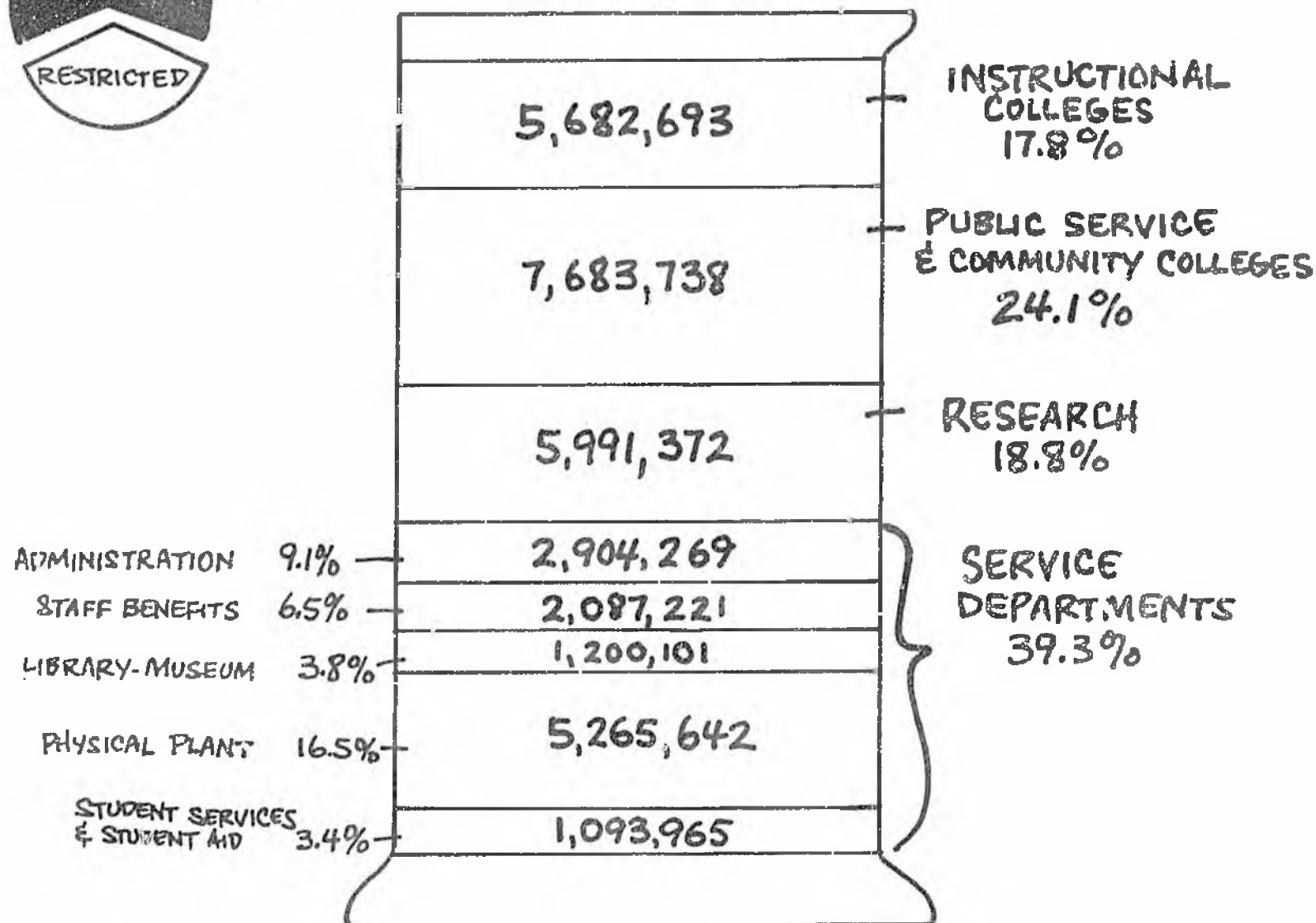
1. Student fees,
2. Federal land-grant college appropriations,
3. Overhead recovery from Federal grants and contracts, and
4. Income from sales and rents.

The green and blue sections combined make up the total budgetable resources of the University.

C. The red section, 29.4% of the total, represents gifts, grants and contracts from the Federal Government, private foundations, corporations and others. This portion of the budget is restricted to special, designated purposes and cannot be used for operating expenses. Nevertheless, these are very real dollars, decidedly important to the State's economy, and entirely dependent upon the University's ability to attract outside support.



NON-RESTRICTED
1971-72 BUDGETABLE RESOURCES
31,909,001



NON-RESTRICTED BUDGETABLE RESOURCES

This is a breakdown of budgetable funds, representing all resources except the restricted portion. These funds are allocated to the four major areas illustrated by this graph:

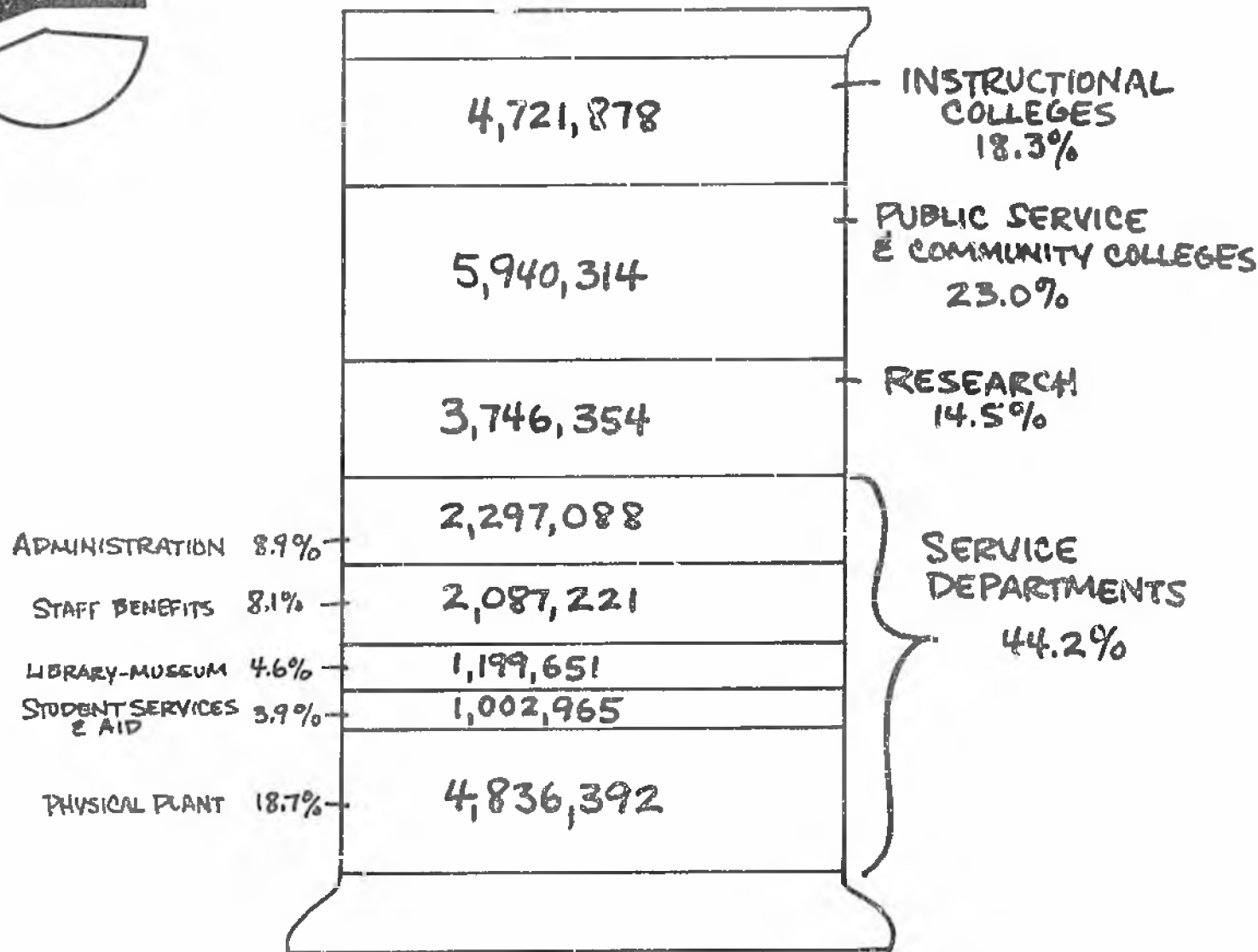
- A. The blue portion of the graph represents the instructional colleges and their organized activities. The yellow bar represents the Division of Statewide Services, including Cooperative Extension and the community colleges.
- B. The green bar of the graph adds the areas of organized research supported by State and other non-restricted funds; and finally, the red bar represents the service departments of the University, including the physical plant, student services and aid, the library and museum, staff benefits and administration.

The total budgetable resources of the University represent 70.6% of the projected total resources.



1971-72 STATE APPROPRIATION REQUEST

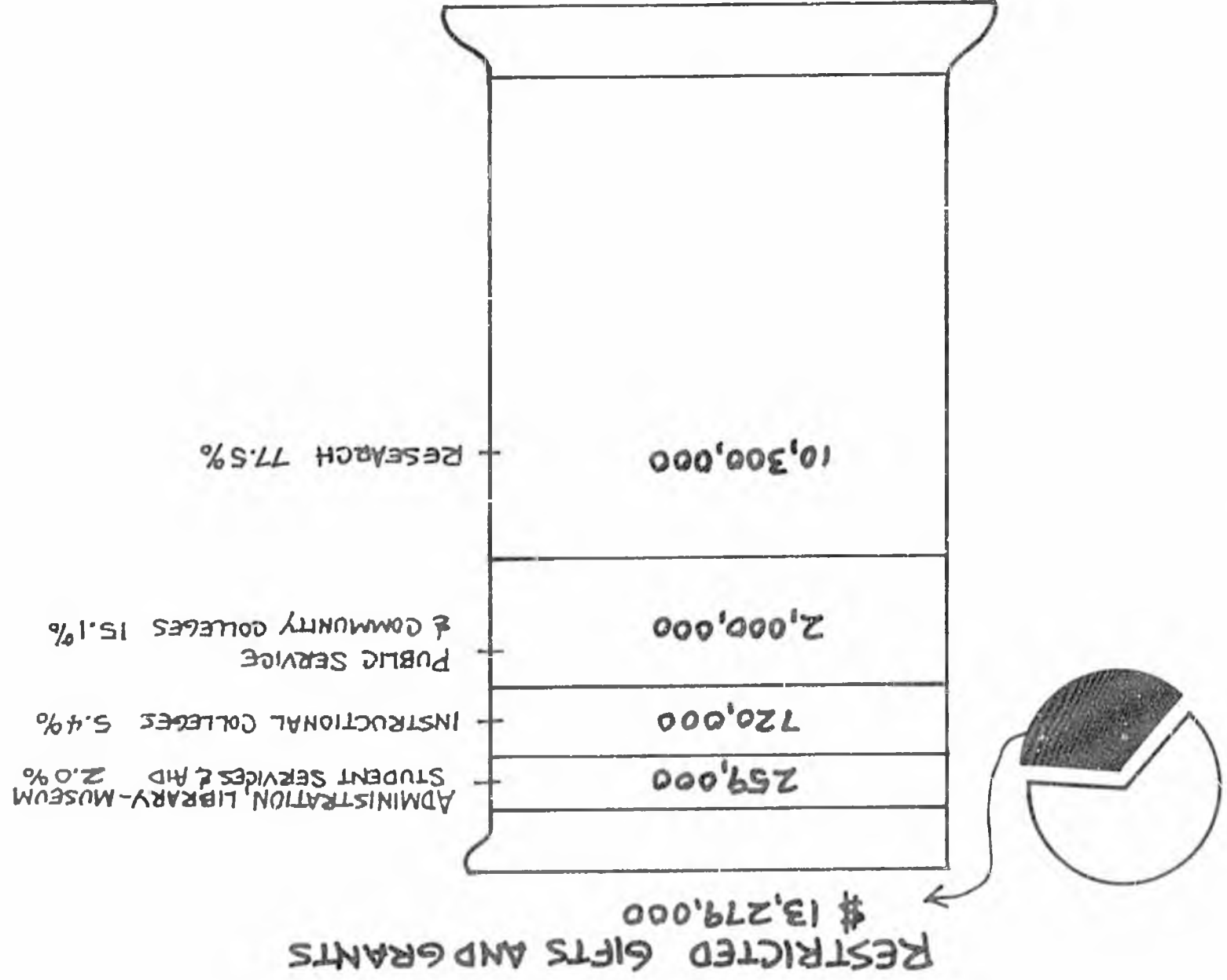
\$ 25,831,863



STATE APPROPRIATION REQUEST

This graph represents the University's 1971-72 State appropriation request. The \$25,831,863 requested from the State Legislature will be allocated as shown. The percentages for each category are roughly comparable to those requested for 1970-71. The requested appropriation is distributed as follows:

- 18.3% to the instructional colleges
- 23.0% to public service and the community colleges
- 14.5% to organized research
- 44.2% to the service departments



RESTRICTED GIFTS AND GRANTS

\$13,279,000

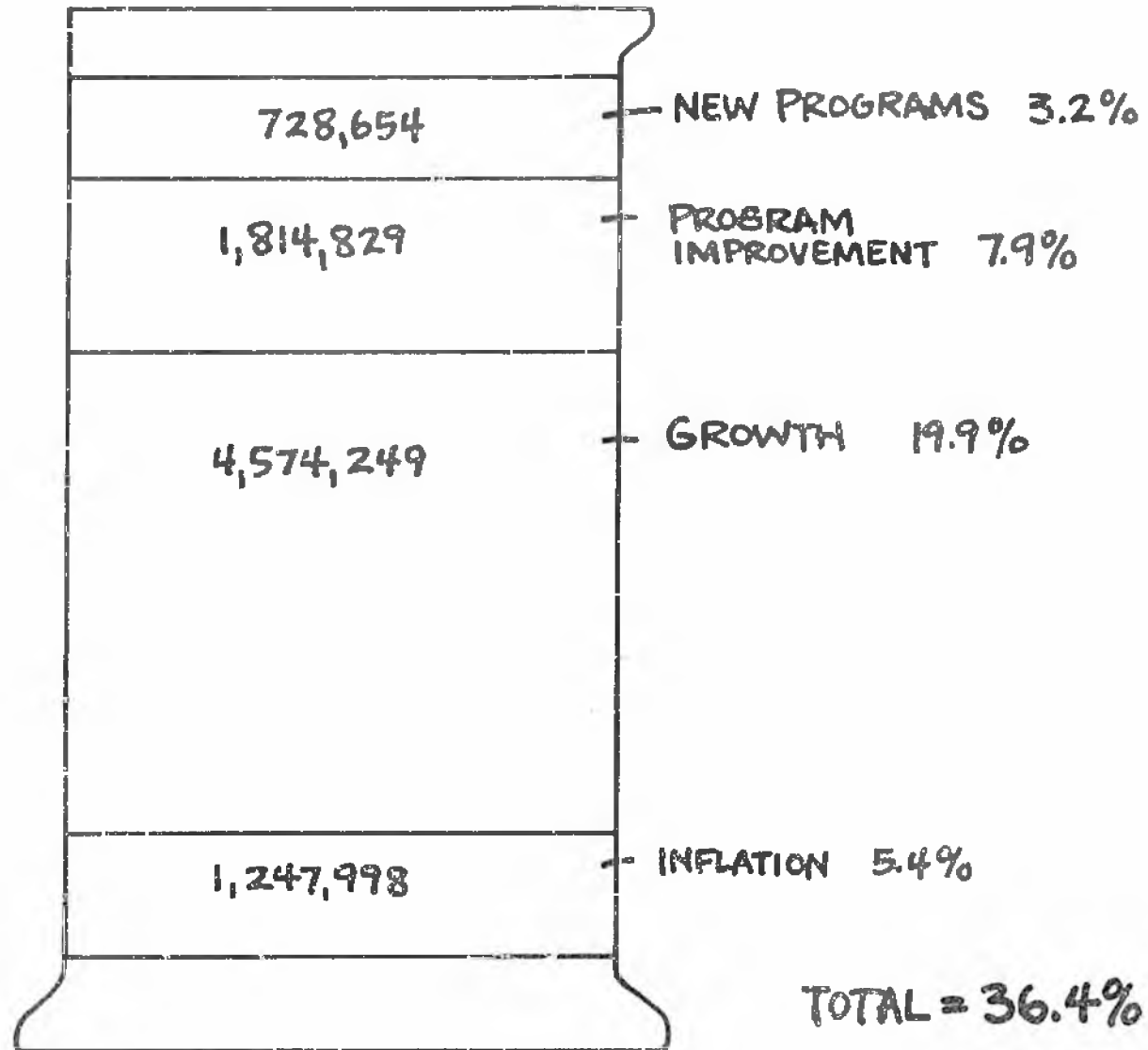


RESTRICTED GIFTS, GRANTS AND CONTRACTS

This graph represents a breakdown of the restricted gifts, grants and contracts portion of the budget. These funds, 29.4% of the total resources, are allocated according to the instructions of the granting agency. A large portion of these funds is provided for specific research projects. Please note that research is not the only area of University activity that receives support from restricted funds.

Although these funds are not budgetable in the usual sense, the benefits to the University and State are nonetheless real. Projects as diverse as Upward Bound and road construction over permafrost are supported by these funds.

1971-72 EXPENSE INCREASES OVER 70-71 BUDGET



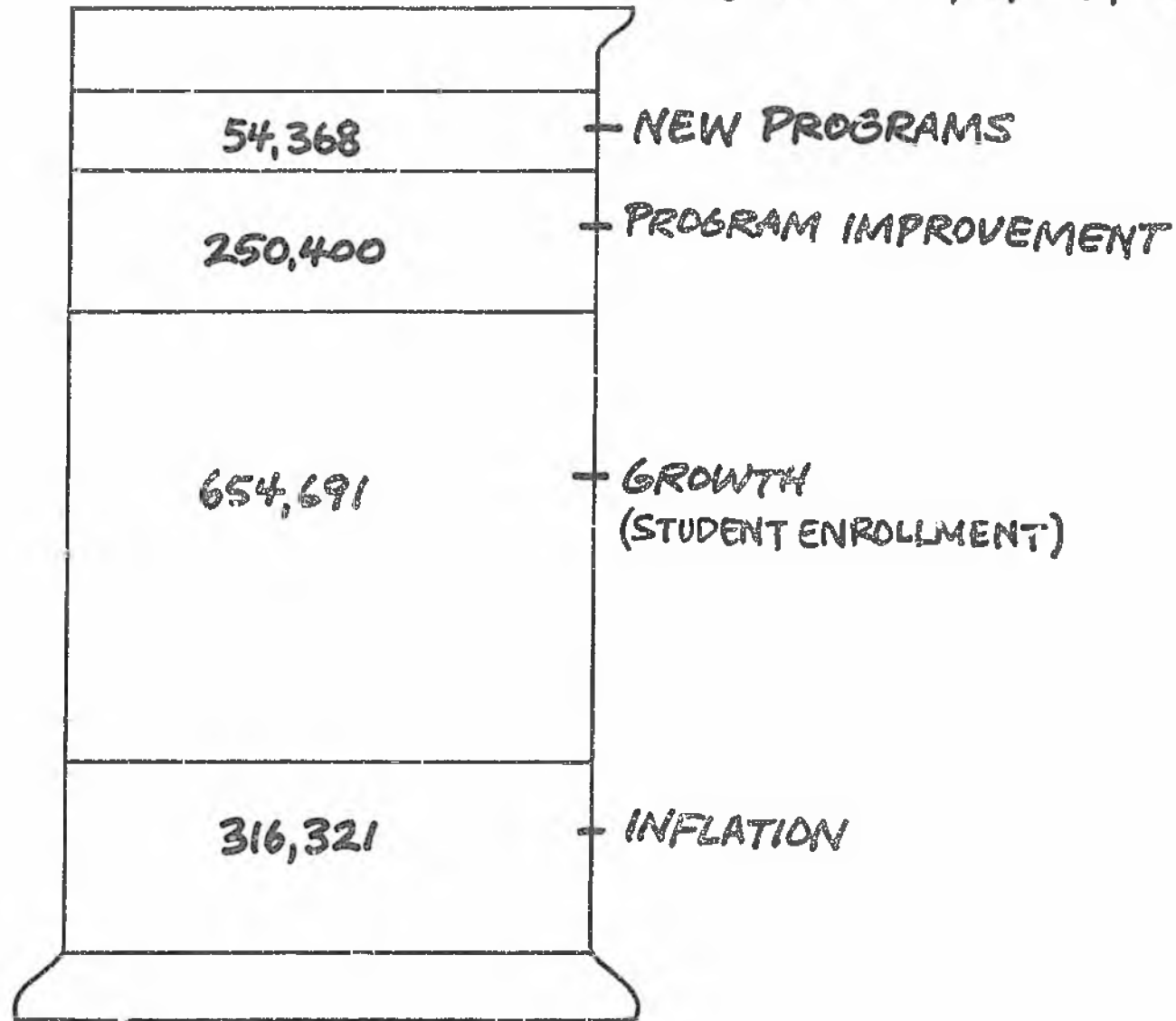
EXPENSE INCREASES

This graph breaks down the general categories of the appropriation increase over last year. It shows that additional funds are required from the State Legislature in 1971-72

1. To cover rising costs of inflation,
2. To educate 27% more students,
3. To improve existing educational programs, and
4. To provide new programs to meet the educational demands of Alaskans.

In reality, the forces which drive the costs of higher education upward are not as clear-cut as shown by the figures. Many other factors, such as reorientation of research toward Alaska's problems also add to the costs of the state. During periods of rapid growth such as we are now experiencing, it is extremely difficult to keep up with demands and still maintain quality education. As numbers of students increase, interests diversify, and cost increases are not necessarily linear. If funding is allowed to lag behind growth, the quality of instruction must suffer.

EXPENSE INCREASE BREAKDOWN - INSTRUCTIONAL COLLEGES \$1,275,780



EXPENSE INCREASE--INSTRUCTIONAL COLLEGES

For that portion of the increase requested for instructional colleges, the breakdown looks like this.

* * * * *

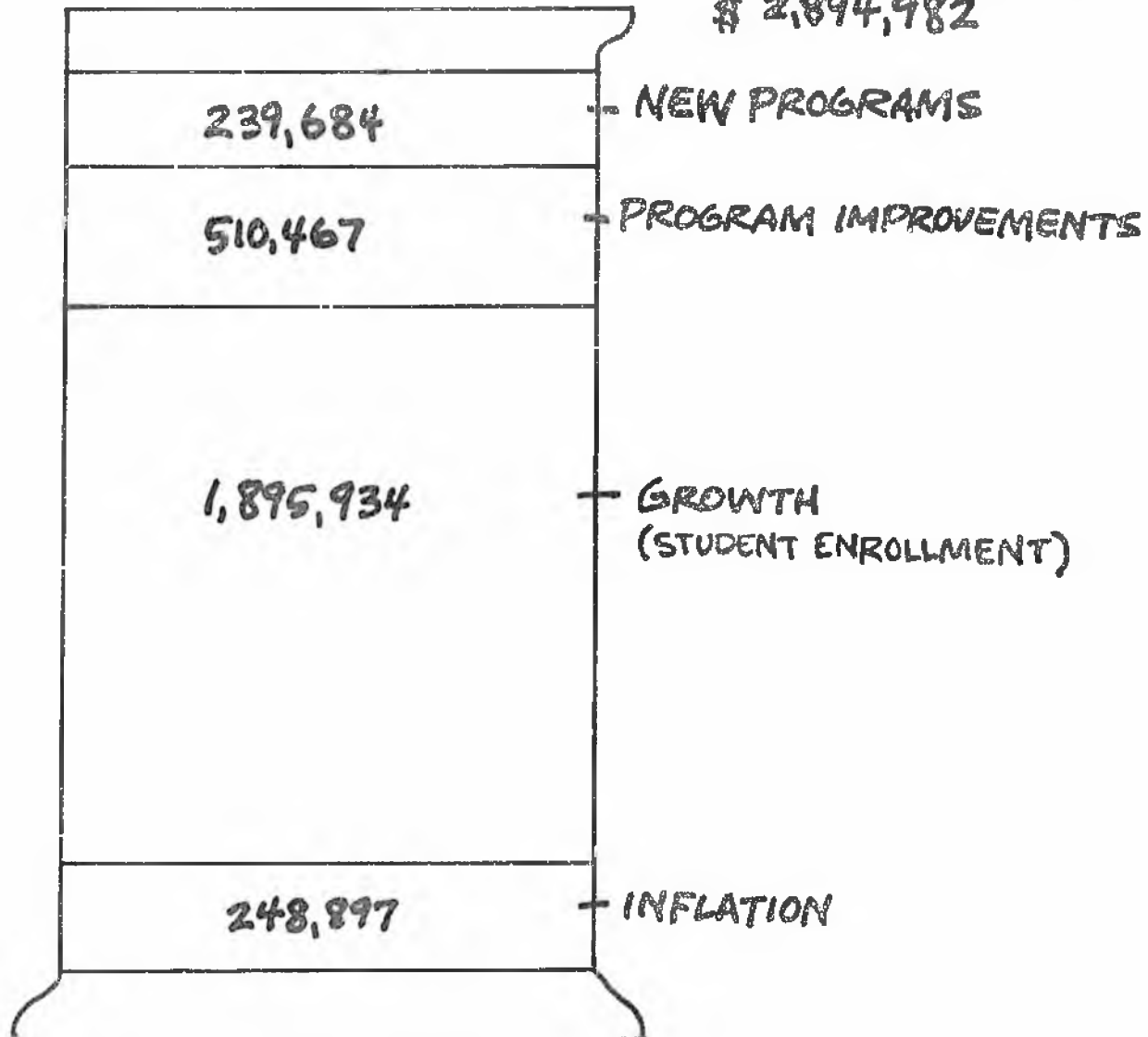
The Law School is the primary component of proposed new programs. Alaska should not put off the beginnings of its Law School program. Several years are needed to acquire an adequate library, a good faculty and special facilities for such an institution, and each year the program is put off, its beginnings will be more difficult and more expensive.

Program improvement includes funds to equip and render effective the many new instructional and service facilities that public tax money has provided, and for greater cultural "outreach" into the State.

Funds for growth, simply explained, are required to meet the tremendous surge in numbers of students and student credit hours. This increase has been far greater than anticipated and is severely straining the capacity of faculty and staff. Projections for 1971-72 indicate a continuing upsurge in both student enrollment and student credit hours. Budget increase requests reflect faculty, student and administrative concern that quality education be maintained and enhanced.

Inflation speaks for itself, a painful factor beyond the control of the University. Just as the businessman's or housewife's, the University's dollar does not buy as much today as it did yesterday.

EXPENSE INCREASE BREAKDOWN - PUBLIC SERVICE
& COMMUNITY COLLEGES
\$ 2,894,982



EXPENSE INCREASE--PUBLIC SERVICE
AND COMMUNITY COLLEGES

This graph illustrates the same breakdown for the requested increase for Statewide Services and the community colleges.

* * * * *

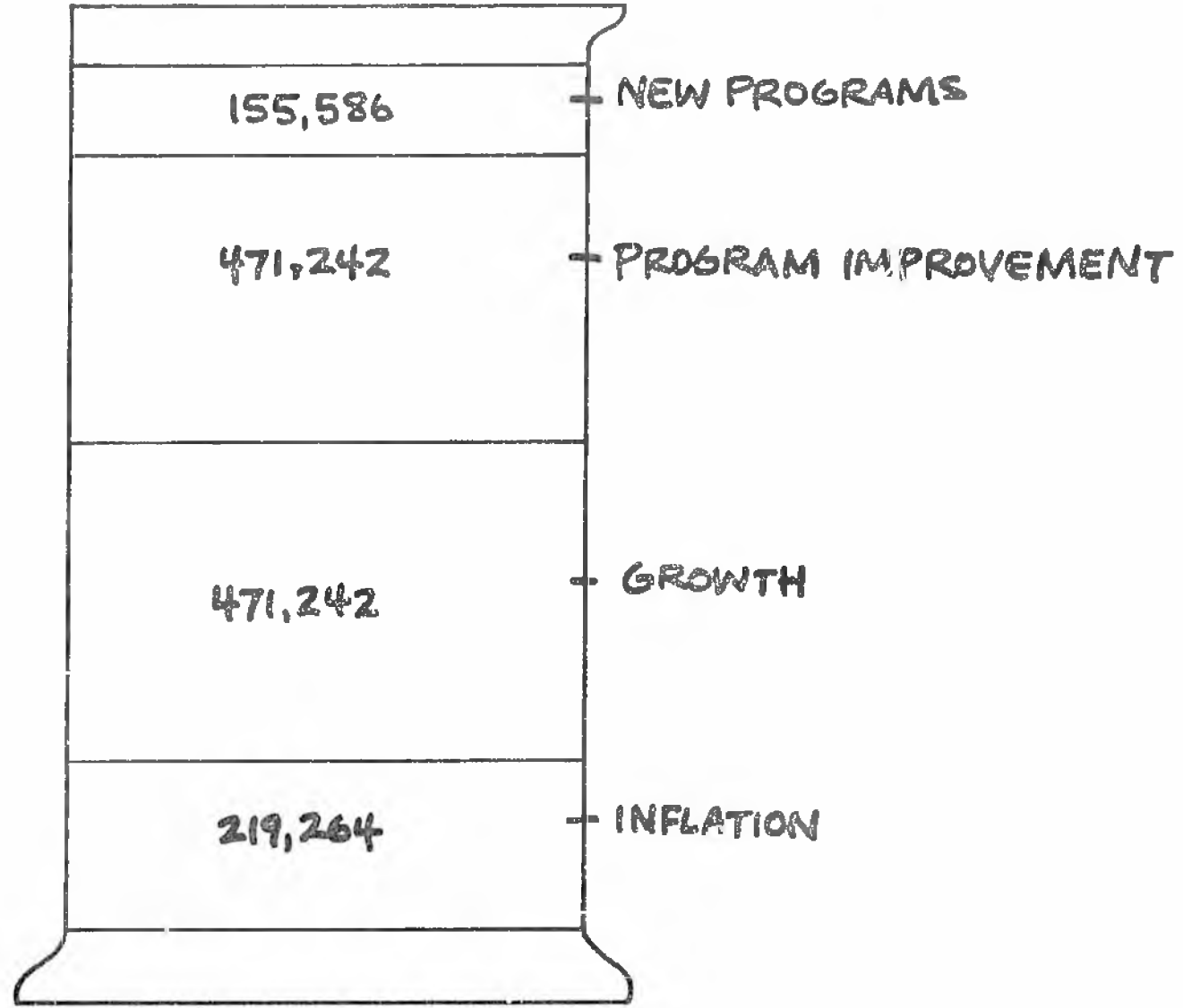
New programs include a coordinator of media services and funds to support the new educational television station. Television capability is an extremely significant advancement for the University and has been made possible by a recent Federal grant of \$425,000. Other new programs include local government leadership development courses through the Cooperative Extension Service, and an arboretum.

Program improvements are essential to gain greater coverage of the State in mining, fisheries and arts and crafts by adding 2½ full-time equivalent faculty members. Program improvement at the community college means, simply, that more students require a broader range and scope of services.

Growth is closely aligned with increased student enrollment. As earlier graphs demonstrated, statewide enrollment was up 27% during the first semester, with even greater gains registered in credit and noncredit evening, summer, and extension courses. The popularity of degree programs offered at the University centers in Anchorage and Juneau further demonstrate the need to grow. At the Anchorage center alone, 617 full-time equivalent students were registered in degree programs during the first semester of 1970-71.

Here, as in all parts of the budget, inflation plays a troublesome but unavoidable role.

EXPENSE INCREASE BREAKDOWN - ORGANIZED
RESEARCH \$1,317,334



EXPENSE INCREASE - -
ORGANIZED RESEARCH

This chart provides the same category breakdown for funds requested to support organized research.

* * * * *

New programs, in keeping with emphasis on state-related research, include a cooperative fisheries unit, an international biological program, an environmental satellite program, a land resources laboratory, and an agricultural statistics program.

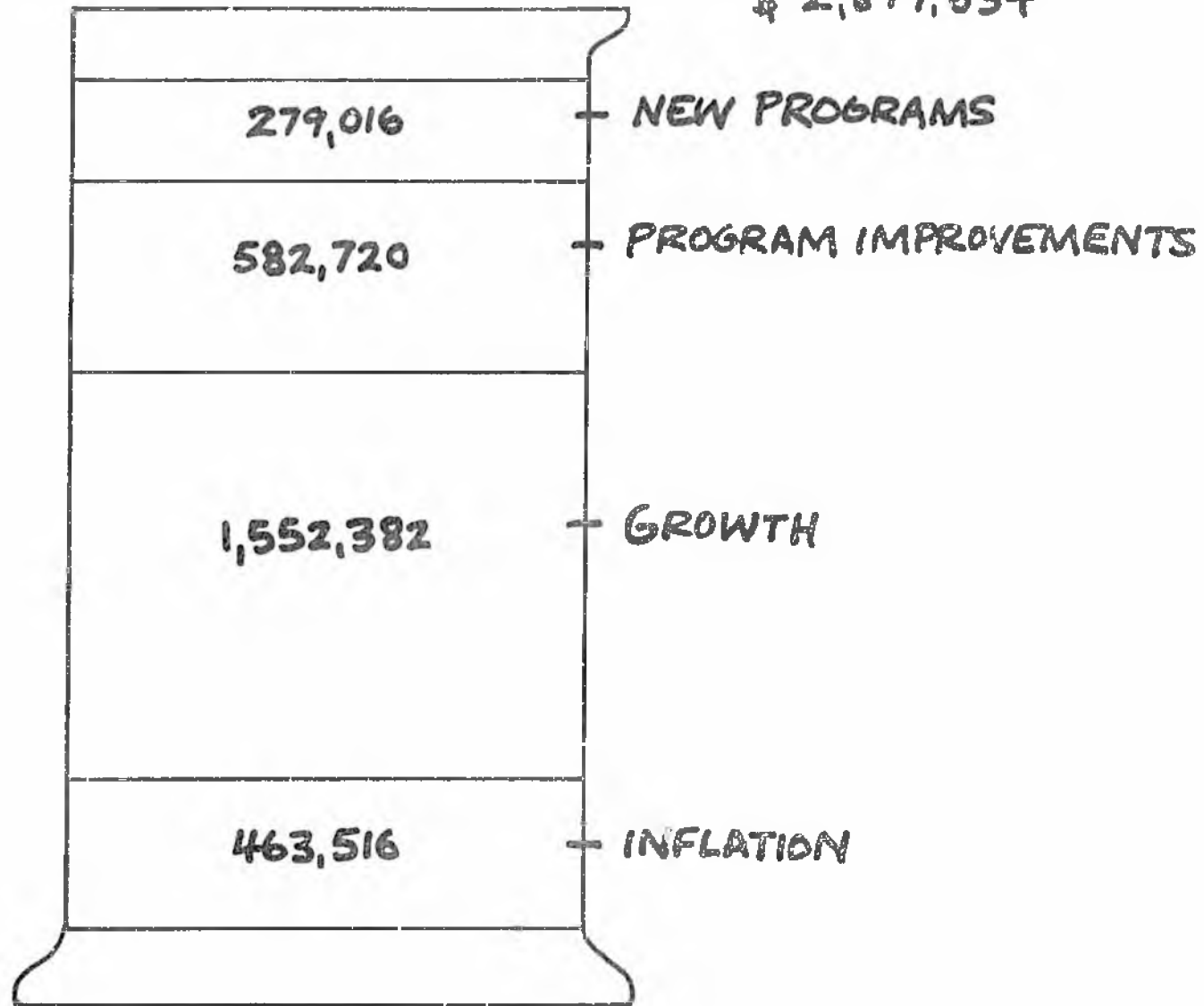
Program improvements include expanded research in such basic areas as mineral geophysics, forest research and study of potential utilization, exploitation, preservation and use of marine resources, water quality, earthquake prediction, volcano activity, air and water pollution, boat operation, construction problems, communication systems, acculturation of Alaska's natives, local and regional government studies, sociological studies, pipeline construction and operation, heavy equipment transportation, waste disposal, air strip design, and road construction over permafrost.

The importance of growth in these areas might be correlated to the needs of the State. One would be hard pressed to isolate a single research program that did not have ultimate bearing on the well-being of the State of Alaska, and to the excellence of study programs at the student-teacher level.

Organized Research, Continued

As in all areas, inflation takes its toll on the research dollar. In the simplest terms, inflation is the increased cost of doing business. As the chart shows, more than 200,000 more dollars are required to do the same amount of work.

EXPENSE INCREASE BREAKDOWN - SERVICE DEPARTMENTS
\$ 2,877,634



EXPENSE INCREASE--
SERVICE DEPARTMENTS

This final breakdown illustrates the apportionment of funds requested to support the service departments of the University.

* * * * *

New programs, a fairly minor percentage of the total, are summer programs for special orientation and remedial study by college-bound high school students; undergraduate student experimentation projects; and for the operation of the new Statewide Registrar's Office.

The improved program category has much to do with such unavoidable items as increased capital payments for heating plants and building and grounds maintenance, increased usage of utilities, and cost of moving various departments to new quarters now under construction.

Improvement expenditures in these areas are almost inseparable from growth expenditures--and can best be explained by saying that each service expansion requires additional manpower and equipment to provide these services.

Inflation, once again, can be seen to add significant costs just to hold our own in program maintenance in the service areas. Again, this represents the increased cost of doing business.



UNIVERSITY OF ALASKA
COLLEGE, ALASKA 99701

March 3, 1971

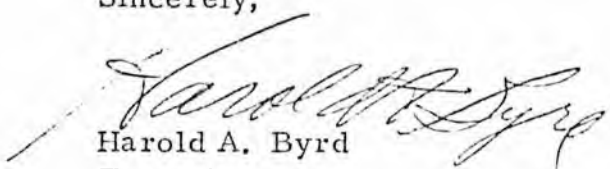
Mrs. Susi Doyle
Administrative Assistant
Senate Finance Committee
State of Alaska
Pouch Y
Juneau, Alaska 99801

Dear Mrs. Doyle:

In reply to your March 1 letter, there are enclosed several documents relating to University accreditation. The December 12, 1969 letter from Mr. James F. Bemis indicates the most recent reaction on accreditation of the University of Alaska. It relates to the September 1969 interim report and we anticipate an accreditation study on Anchorage Community College next year.

The cost of living level of increase in the University request was contained on pages 10 and 11 of the green covered set of data supplied by the University to all members of both finance committees. Additionally, a complete priority schedule is being prepared at the request of Mr. Hohman. A copy of this will be supplied for the Senate Finance Committee when it is transmitted to the House Finance Committee.

Sincerely,


Harold A. Byrd
Executive Director
Budget Development and Legal
Affairs

HAB:y

Enclosures

cc: Hon. George Hohman, Chairman ✓
House Finance Committee
(no encls)



Alaska State Legislature
House

JUNEAU ALASKA

MEMORANDUM

TO: Dr. William Wood, President
University of Alaska

FROM: George Hohman, Chairman
House Finance Committee

SUBJECT: Finance Committee Budget Meeting

DATE: February 22, 1971

During your recent meeting with the House Finance Committee, a request was made by a committee member for additional information. Please furnish this committee with the following:

1. Detailed statement showing full-time equivalent costs per student at each campus.
2. Dollar amount spent on vocational education throughout the last fiscal year compared with amount spent on academic subjects.
3. If tuition were removed for vocational education or put on a parity with the academic program, how much would it cost. How many students are there in vocational education courses.
4. The existing modular complex for married students - square footage of building, number of apartments, and the current cost to date. Brief description of the facilities, including floor plan.
5. Cost of the last audit and original audit done by Peat, Marwick & Mitchell (contract cost and final cost).
6. Redefine priority in event of budget decrease.
7. Additional funds required to grant loans to vocational education students.
8. Average work-week schedule of professors.



Alaska State Legislature

House

JUNEAU ALASKA

February 3, 1971

Dr. William Wood, President
University of Alaska
College, Alaska 99701

Dear Dr. Wood:

With reference to the informal budget discussion between Harold Byrd, Budget Officer, and Max Hilliard, Controller, and the members of the House Finance Committee some requests for additional information on the University of Alaska's budget were received. Specifically, we would like the University to:

1. Break out student enrollments on the main campus and for the various campuses of the community college system on a full time equivalency basis (show enrollment for the last five years).
2. Break out construction appropriations for the main campus and for the individual community college campuses (show appropriations for the past five years).
3. Supply administrative costs and other pertinent financial information (such as cost break out by university program) on all universities of comparable size throughout the nation. Should you be unable to furnish us with such information on this topic could you suggest similar size universities from which we might obtain comparison data during the interim.
4. Supply additional justification for the 33 per cent increase requested in administrative costs.
5. Supply a copy of the Peat, Marwick and Mitchell 1970 fiscal year audit including a copy of the management letter.

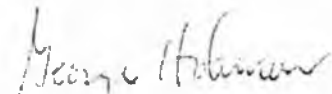
Dr. William Wood

-2-

February 3, 1971

6. Break out of the current research budget (FY 1970-71) that portion funded by the state and the portion funded by the federal government (request was that this be done for the past three years as well as the projection for the budget year).

Sincerely,



George Hohman
Chairman
House Finance Committee

May 19, 1971

Rep. Chuck Degnan
Box 187
Unalakleet, Alaska 99684

Dear Chuck:

Regarding your request for Senate intent, we have checked with Senator Butrovich and the proposed letter of intent to the University was never sent. This is in line with the agreement of the Free Conference Committee on the budget that the only legislative intent would be that decided upon by the Free Conference Committee. You might discuss this further with Senator Hensley and see if he has any information concerning additional informal intent.

I am enclosing the Free Conference Committee budget intent along with a copy of FCCS SCS CSHB 58, and the letter accompanying the analysis of HB 58 as sent to all agency heads. I am also enclosing the session laws that have been printed thus far. Following the signing of the last bill by the Governor, these slip laws will be bound but not distributed to the legislators until the next session. If you want the bound set before then, let me know and I will notify Legislative Affairs to mail it to you.

Sincerely,

J. H. Hogan
Fiscal Analyst

Enclosures

MEMORANDUM

State of Alaska

TO: Myrton Charney, Director
 Division of Budget and Management
 Department of Administration
 Alaska Office Building
 Juneau, Alaska

DATE : February 4, 1971

FROM: R. D. Stevenson
 Deputy Commissioner
 Department of Revenue
 Alaska Office Building
 Juneau, Alaska

SUBJECT: Department of Revenue
 Budget Hearing on January 15, 1971

At the time of the Governor's Budget Review held on January 15, 1971 as concerns the 1971-72 budget of the Department of Revenue certain questions were posed by the personnel of Management Analysis Center Incorporated, as to operations and proposed operations of the Department of Revenue.

At this date I am transmitting to you for review with personnel of Management Analysis Center Incorporated information relative to the following items:

1. Cost breakdown, department wide by type of revenue.
2. Report by Audit Section of audits and tax changes and average per audit for Individual Income Tax, Business License Tax and Corporation Income Tax.
3. Consolidation of motor vehicle registrations and driver licensing.
4. A proposal to turn over the tax model to the Department of Administration

With respect the cost breakdown, department wide by type of revenue, a breakdown has been furnished on a divisional basis with a cost per dollar of revenue collection with the exception that our present system does not provide a detailed breakdown of Administrative Services Division costs to each of the other Divisions.

If the Department had additional money to spend on collection or audit, it would be best spent in the Audit and the Excise Tax Division on additional audit personnel. With respect Individual Income Tax, the Department of Revenue through a reciprocal exchange of information agreement, receives information concerning changes on Federal Income Tax returns which are then followed up with State deficiency notices. However, these are limited to taxpayers filing in the Alaska district and does not cover non-residents who earn all or a part of their income in Alaska (construction workers, fishermen, etc.) but reside outside and file their Federal Income Tax returns in another Internal Revenue district. The IRS audit program does not at all times cover lower income earners.

February 4, 1971

The Individual Income Tax Section of the Audit Division produced tax changes during 1970 in amount of \$737,570.63 primarily at a desk level. It would be productive if additional auditors were employed capable of field audits; or if other personnel were employed to cover the desk audits to allow our more highly-trained audit personnel to conduct field audits.

The Excise Tax Division which during fiscal year ending June 30, 1970 administered four major excise taxes (Alcohol, Motor Fuel, Cigarette and Gas & Oil Production Tax) with resultant collections of \$25,757,606.23 is grossly undermanned for field audit effort. There should be at least one Revenue Agent capable of field audit for each of the major excise taxes. It is to be noted that the cost per dollar of receipts is the lowest of all divisions. With the Oil and Gas Production Tax soon to be a very major item of tax revenue, it will be necessary to expand this section with highly qualified auditors to work closely with the Department of Natural Resources on our very complex present taxing statute.

cc: Eric E. Wohlforth
Commissioner of Revenue

Phil A. Wall, Director
Administrative Services Division
Department of Revenue

RDS:ah

Enclosures

COMPARATIVE SUMMARY OF REVENUE RECEIPTS
TO ACTUAL EXPENDITURES OF RESPONSIBLE COLLECTING DIVISION
For 1969-1970 Fiscal Year

Acct. Code	<u>Type of Tax</u>	Net Receipts	Expenditure Collecting Division	Admin. Costs	% of Cost to Receipts
<u>Division of Collections</u>					
112	Raw Fish	\$ 2,039,267.26			
113	Cold Storage	304,780.70			
114	Freezer Ship	181,843.55			
226	Amusement & Gaming	51,263.56			
281	Commercial Fishing-Resident	138,827.30			
282	Commercial Fishing-Non. Res.	213,076.31			
270-280	Vessel & Gear License	546,639.86			
401-417	Sport Fishing & Hunting License	1,426,723.25			
	Total Collections & Expen.	\$ 4,902,421.79	\$ 382,618.16		7.805%
<u>Division of Audit</u>					
105	Business License	\$ 5,060,522.04			
106	Individual Income Tax	32,423,392.26			
107	Fiduciary Tax	31,233.39			
108	Corporation Tax	5,301,073.89			
109	Mines & Mining	45,038.00			
110	Inheritance Tax	122,927.68			
117	Disaster Relief	689,797.51			
118	School Tax	1,406,822.61			
120	Electric & Telephone Co-op	338,457.24			
217	Embalmers License	1,550.00			
227	Lottery Permits	3,952.50			
231	Log Brands	435.00			
	Total Collections & Expen.	\$ 45,425,202.12	\$ 420,561.15		0.926%
<u>Motor Vehicle Division</u>					
220	Motor Vehicle Dealer	\$ 3,625.00			
224	Motor Freight Carrier	70,816.76			
440	Motor Vehicle Drivers Licenses	264,702.25			
441	Motor Vehicle Plates	5,116,901.54			
442	Motor Vehicle Titles	311,788.00			
652	Miscellaneous Revenue	14,261.01			
	Total Collections & Expen.	\$ 5,782,094.56	\$ 660,391.15		11.421%
<u>Treasury Division</u>					
644	Interest on Loans	\$ 77,700.00			
645	Interest on Deposits	3,272,036.73			
646	Interest on Investments	36,445,119.80			
	Total Collections & Expen.	\$ 39,794,856.53	\$ 181,745.18		0.457%
<u>Excise Tax Division</u>					
101	Alcohol Tax	\$ 4,424,919.58			
102	Cigarette Tax GF	1,016,721.16			
103	Cigarette Tax ST	1,694,535.08			
115	Oil & Gas Production	5,939,970.11			
116	Disaster Severance	1,973,760.60			
131	Highway Fuel	7,765,524.86			
132	Aviation Fuel	1,861,633.69			
133	Marine Fuel	745,157.53			
516	Oil & Gas Conservation	335,383.62			
	Total Collections & Expen.	\$ 25,757,606.23	\$ 63,863.49		0.248%
	Sub-Total Revenue	<u>\$121,662,181.23</u>	<u>\$1,709,179.13</u>		<u>1.405%</u>

<u>Acct. Code</u>	<u>Type of Tax</u>	<u>Net Receipts</u>	<u>Expenditure Collecting Division</u>	<u>Admin. Costs</u>	<u>% of Cost to Receipts</u>
<u>Alcoholic Beverage Control Board</u>					
285	Liquor License Application	\$ 32,700.50			
289	Beverage Dispensary	392,400.00			
290	Club	19,400.00			
291	Common Carrier	12,750.00			
292	Restaurant	8,400.00			
293	Roadhouse	3,000.00			
294	Retail	190,109.35			
295	Retail Stock Sale	(275.00)			
296	Wholesale - General	70,000.00			
297	Wholesale - Malt Beverage	10,650.00			
299	Miscellaneous Licenses	16,865.00			
	Total Collections & Expen.	\$ 755,999.85	\$ 103,220.23		13.653%
962	Prepaid Taxes - various	\$ 46,630.18			
<u>Administrative Costs</u>					
	Office of the Commissioner			\$ 96,591.42	
	Administrative Services Division			420,176.50	
Department Totals and %		<u>\$122,464,811.26</u>	<u>\$1,812,399.36</u>	<u>\$ 516,767.92</u>	<u>1.902%</u>

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Deputy Commissioner

DATE : January 26, 1971

FROM: C. L. Pyles, Chief
Income Tax Section
CP

SUBJECT: Production Report

INDIVIDUAL INCOME TAX AUDIT SECTION

	<u>Audits</u>	<u>Tax Change</u>	<u>Average per audit</u>
1970	18,217	\$787,570.63	\$43.23
1969	18,280	693,906.02	37.96
1968	12,068	415,155.75	34.40

MISCELLANEOUS TAX AUDIT SECTION (BUSINESS LICENSE)

	<u>Audits</u>	<u>Tax Change</u>	<u>Average Per Taxpayer</u>
Business License Audit per taxpayer	248	18,779.09	75.72
Business License Return - Audit per taxpayer	260	74,561.48	2,867.75
TOTAL	508	93,340.57	1,837.41

CORPORATION TAX AUDIT SECTION

	<u>Audits</u>	<u>Tax Change</u>	<u>Average</u>
Corporation, Fiduciary and Inheritance tax returns	90	24,764.94	275.17

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Deputy Commissioner
Department of Revenue

DATE : January 27, 1971

FROM: P. A. Wall, Director *PAW*
Administrative Services
Department of Revenue

SUBJECT: Consolidation of Motor Vehicle
Registrations and Drivers Licensing
Re: Budget Review Request of 1/15/71

I have long been an advocate for the consolidation of public service functions. It is logical to consider Motor Vehicle and Drivers services as an initial effort, but the entire public service program should be in focus prior to any consolidation.

The service functions which may be considered as compatible at one counter are:

- Motor Vehicle (includes off-highway and sno-vehicles)
- Drivers licensing
- Commercial fish licensing
- Sports Fish and hunting licensing
- Taxpayer assistance

ADVANTAGES:

- Taxpayers receive the same quality of service regardless of program.
- Standards in data capture so necessary in developing input to computers can be more easily assured.
- All services are available at the same place.
- Workload is more balanced which will result in fewer people to do the work.
- Administrative and enforcement functions will be clearly separate.
- Facilities cost will decrease.
- Cash flow audit will be simplified.

DISADVANTAGES:

- Associated audit and/or enforcement functions may not have direct administrative control over licensing administration.

COMMENTS:

We have had these combined functions in several of our field offices. Motor Vehicle and Drivers services are presently handled by our Ketchikan and Nome offices and Nome also handles Commercial Fishing licenses. The actual performance of these services has been effective.

Problems have been experienced in communications and in taxpayer response:

. Instructions and/or performance problems not clearly communicated between effected agency (such as the Department of Fish and Game) and the service counter. (These problems also exist when the functions are administratively aligned.) Solution lies in establishing good responsive communications regarding instructions and the solving of problems. This problem caused the removal of Commercial Fish licensing from our Ketchikan Field office.

. The taxpayer complains to the Department providing the service. The servicing department is concerned because it is not charged with the service (by statute) and lacks the power to react. This is an excuse for the most part as the problem could be resolved "around the table" with the responsible department. However, Drivers Licensing was removed from the Anchorage and Juneau Field offices because of this problem.

. Fish and Game licensing, Commercial Fish licensing, Motor Vehicle and Taxpayer assistance are peaking (irregular) workloads whereas Drivers licensing is stable. The peaking workloads usually do not conflict with each other. Workload planning can be performed with good effect when these jobs are combined; with great difficulty when just one is involved.

Sooner or later we must consider delegating "Commission Agent" control to our Field offices to effectively direct these services and to reduce the workload centrally. Consideration will be given to the idea of assigning all the services mentioned above to a single agent. Although there are instances in which an agent has been assigned these functions now, the agent serves several masters and duplication in bonding, cash flow audit, supply, etc., prove costly and cumbersome.

PAW/ge

MEMORANDUM

State of Alaska

TO:

R. D. Stevenson
Deputy Commissioner

DATE : January 28, 1971

FROM:

P. A. Wall
Director

SUBJECT: Operation of the Tax Model

Re: Budget Review Notes-
January 15, 1971.

During the last few months of 1968, Pete, Marwick, Livingston & Company working under a contract with the Department of Revenue, produced a computer tax model. This tax model with documentation was released to the Department early in 1969. We have never been able to operate the tax model, as the operational resources were not planned for and have not since been allowed, nor was the documentation sufficient to allow the user to prepare and maintain inputs to the model. In order to operate the model the user must be aware of its philosophy and have a good understanding of the data which the model processes. This data must be updated annually with the new years statistics and one year (the oldest year) of statistics dropped out. Once the statistics, normally consisting of 5 years of actual data have been prepared for input to the model, the model will quickly calculate and produce projections relative to tax structures within the Department of Revenue. Since the input data cards are so constructed as to allow complete freedom in nomenclature and report output formats, this model can reasonably be applied to any type of a projectional requirement, and therefore, be of use to departments other than the Department of Revenue. And finally once the data base has been prepared and updated it is relatively easy to change the components such as percentages, actual values or ther "constant" type data and rerun the model to obtain, very quickly, the effect that such a change would have upon the data in question.

We estimate about 2 man months of systems analyst-programmer time in support of the technical aspects of the model, and to provide definitions to users (and instruction when required) to allow any user to operate the model as required. Actual computer run time of the model is anywhere between 5 and 30 minutes depending upon the number of modules being processed and the type of reporting being produced. Average run time is somewhere's between 10 and 15 minutes for the Department of Revenue tax projections.

We would very much like to operate this modal ourselves and to support the system-programmer and user instruction as required. However, we have been unable to do so during the last 2 years and feel that the idea of placing the model as central service facility available to any State of Alaska user, and possibly local government may in fact allow the Department of Revenue to use the model and make it available to any other interested entity.

January 28, 1971

As to benefits, the benefits derived from this model is after the data base has been prepared. That is, with a very small amount of change you can quickly project the effect into the future. For example, if a tax base was 7% and you wanted to know what the effect might be in 1975 at 9% you could change the percentage factor in the input data, rerun the tax model and quickly obtain the projections in question. This is a very laborious and time consuming function done manually. Therefore, the benefits of the model are from a management point of view and provide reasonably accurate projections on what would happen to a known situation if a different component or components were used in projection from the base date.

We believe that the tax model would find use by the University of Alaska, the Dept. of Economic Development, the Planning Function in the Governor's office, certain statistical projection requirements in the Dept. of Health & Welfare and Education, and definitely for the Dept. of Revenue as regards the projection of tax revenues.

cc: James A. Nelson

FILING SYSTEM

- 1 -- OFFICE OF THE GOVERNOR
- 2 -- DEPARTMENT OF ADMINISTRATION
- 3 -- DEPARTMENT OF COMMERCE
- 4 -- DEPARTMENT OF ECONOMIC DEVELOPMENT
- 5 -- DEPARTMENT OF EDUCATION
- 6 -- DEPARTMENT OF FISH AND GAME
- 7 -- DEPARTMENT OF HEALTH AND WELFARE
- 8 -- DEPARTMENT OF HIGHWAYS
- 9 -- DEPARTMENT OF LABOR
- 10 -- DEPARTMENT OF LAW
- 11 -- DEPARTMENT OF MILITARY AFFAIRS
- 12 -- DEPARTMENT OF NATURAL RESOURCES
- 13 -- DEPARTMENT OF PUBLIC SAFETY
- 14 -- DEPARTMENT OF PUBLIC WORKS
- 15 -- DEPARTMENT OF REVENUE
- 16 -- UNIVERSITY OF ALASKA
- 17 -- JUDICIAL BRANCH
- 18 -- LEGISLATIVE AFFAIRS
- 19 -- LEGISLATIVE AUDIT

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

HOUSE Y-STATE CAPITOL
JUNEAU, ALASKA 99801

February 3, 1971

Mr. George Easley
Commissioner
Department of Public Works
Juneau, Alaska 99801

Dear Mr. Easley:

In various hearings before the House Finance Committee, representatives of the Departments of Administration, Public Safety, and Public Works, have been unable to answer the question, "What is the total cost to complete the Public Safety Building located in the Juneau Support area?"

According to the report dated, January 5, 1971, prepared by the Division of Legislative Audit, construction of the second floor of the new building has been postponed pending the authorization of additional funds. The report goes on to imply that perhaps the estimated cost of completing the second floor (\$126,332) will be allocated to construction of the building and completion of the first floor.

I am requesting a statement from you concerning any or all additional funding required to complete the building. If there are to be additional funds requested above those called for in the proposed \$100,000 appropriation, we wish to know the extent of those estimated additional costs before taking action on House Bill 72.

Sincerely,



George Hohman
Chairman
House Finance

3000 40

Public Safety

WILLIAM A. EGAN, Governor

DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

FOUCH 7 — JUNEAU 99601

February 3, 1971

The Honorable George H. Hohman
Chairman House Finance Committee
Alaska State House of Representatives
Pouch "V" State Capitol Building
Juneau, Alaska 99801

Dear Representative Hohman:

At a recent hearing before your Committee you asked for the following information regarding the Interim Office Building constructed for the Department of Public Safety:

Area occupied by the Department of
Public Safety in Capitol before moving 5,400 sq. ft.

Area occupied by the Department of
Public Safety in Capitol after moving
(Commissioner's office) 7,300 sq. ft.

New building area occupied by the Depart-
ment of Public Safety after moving 9,600 sq. ft.

New building area to be occupied by the
Department of Public Safety upon completion
of second floor (addition of Commissioner's
office) 13,079 sq. ft.

New building area to be occupied by
Department of Administration upon
completion of second floor 6,164 sq. ft.

Copies of the contracts are attached for your information. If more detailed explanation is required, please let me know.

We are now reviewing the Contractor's request for additional compensation for the expedited schedule, and would hope to be able to provide you with detailed information within one (1) weeks time.

Sincerely,

Harold D. Strandberg
Deputy Commissioner

Division
Title

Contract No. 2-577
Change Order No. 1

Project: W0215
Location: Juneau, Alaska

Amount of Contract Change Order

Original Contract \$100,000.00

C. O. No. 1 + 33,163.00

C. O. No. 2

C. O. No. 3

C. O. No. 4

C. O. No. 5

C. O. No. 6

Total

\$133,163.00

Interior Office Space - Phase I
Juneau, Alaska
Location

DA-13-0750

Saunders, Inc. & Butler Manufacturing Co. J.V.
To: (Contractor)

1608 Aurora Avenue North, Seattle, Washington 98109

You are hereby requested to comply with the following
changes to the contract, drawings and specifications.

Description of changes, amount in kind received, change in completion
schedule, cost breakdown, etc.

Item 1. Delete Item 1 of Addendum 1 and substitute wall and roof panels
as called for under Paragraph 5A-C3 of the original specifica-
tions. Contractor's proposal dated November 3, 1970, attached.

+ \$3,163.00

Item 2. Extend contract completion date 15 calendar days.

No Cost

TOTAL THIS CHANGE ORDER

+ \$33,163.00

THE TIME PROVIDED FOR COMPLETION OF THIS CONTRACT IS (EXHIBIT) (INCORPORATED)
(EXHIBIT) BY 15 CALENDAR DAYS. THIS DOCUMENT SHALL BECOME AN AMENDMENT
TO THE CONTRACT AND ALL PROVISIONS OF THE CONTRACT WILL APPLY THERETO.

Accepted by: See contractor's proposal attached
Contractor's Representative

Date November 3, 1970

Recommended by: W. H. Kase
Asst. or Project Engineer

Date 11/10/70

Accepted by: _____
Contracting Agent

Date _____

Approved by: _____
Contracting Officer

Date _____

PHASE A

SA 316

CONSTRUCTION CONTRACT

(See Instructions on reverse)

CONTRACT NO.

P-443

DATE OF CONTRACT

October 2, 1970

NAME AND ADDRESS OF CONTRACTOR

Saunders, Inc. & Butler Manufacturing Co. JV
1608 Aurora Avenue North
Seattle, Washington 98109

CHECK APPROPRIATE BOX

Individual

Partnership

Incorporated in the State of

Joint Venture

DEPARTMENT OR AGENCY

Public Works

CONTRACT FOR (Work to be performed)

the complete construction of a pre-engineered metal building of approximately 11,200 square feet, including foundations and second floor framing. Interior partitions, electrical, and mechanical systems are excluded from this phase of the work.

PLACE

Juneau, Alaska

AMOUNT OF CONTRACT (Express in words and figures)

One hundred sixty-eight thousand four hundred eighty-nine dollars (\$168,489.00)

ADMINISTRATION DATA (Optional)

Basic Bid \$168,489.00

THIS CONTRACT, entered into this date by the State of Alaska, hereinafter called the State, represented by the Contracting Officer executing this contract, and the individual, partnership, or corporation named above, hereinafter called the Contractor, witnesseth that the parties hereto do mutually agree as follows:

STATEMENT OF WORK. The Contractor shall furnish all labor, equipment, and materials and perform the work above described for the amount stated above in strict accordance with the General Provisions, specifications, schedules, drawings, and conditions all of which are made a part hereof and designated as follows:

- Advertised specifications ----- September 1970
- Addendum 1 ----- September 22, 1970
- Drawings Sheet 1 through 7 ----- September 1970

WORK SHALL BE STARTED

Immediately contingent upon receipt of executed contract documents, bonds, and Power of Attorney

WORK SHALL BE COMPLETED

December 1, 1970

ACS TELEGRAM

RECEIVED
OCT 5 11 11 AM '70


SEATTLE
PUBLIC WORKS

OCTOBER 2, 1970

RE: INTERIM OFFICE SPACE
PROJECT NO. DR-13-0750
CONTRACT NO. P-443

SAUNDERS, INC., AND BUTLER MANUFACTURING CO.
1603 AURORA AVENUE NORTH
SEATTLE, WASHINGTON 98109
AT 4-6865

REUR BID ON THE INTERIM OFFICE SPACE AT JUNEAU OPENED SEPTEMBER 30, 1970,
YOU ARE AWARDED CONTRACT P-443 FOR BASIC BID IN THE AMOUNT OF \$168,489.
NOTICE TO PROCEED IS HEREBY GIVEN CONTINGENT UPON RECEIPT OF EXECUTED
BONDS AND CONTRACT DOCUMENTS. THE BONDS AND CONTRACT DOCUMENTS ARE
BEING FORWARDED UNDER SEPARATE COVER FOR YOUR EXECUTION.

For

HAROLD D. STRANDBERG, COMMISSIONER
DEPARTMENT OF PUBLIC WORKS

cc: Confirmation Copy
Contract Section
Department of Administration
Greater Juneau Borough

2:00 PM

Copy	File	Init
Commissioner		
Deputy Commissioner		
Administrative Director		
Aviation		
Buildings		
Communications		
Marine Transportation		
Water & Harbors		
Fiscal		
Grading		
Personnel		
Property & Supply		
Payroll		
Mail & Records		

8-3-70

REFERENCE

INVITATION FOR BIDS
(CONSTRUCTION CONTRACT)

DATE

September 17, 1970

NAME AND ADDRESS OF PROJECT

Interim Office Space for the
Department of Public Safety
Phase 1
Juneau, Alaska
DB-3-0750

AGENCY OR AGENCY

State of Alaska
Department of Public Works
Pouch Z
Juneau, Alaska 99801

By (Issuing officer)

Harold D. Strandberg
Commissioner of Public Works
Pouch "Z", Juneau, Alaska 99801

Sealed bids in single copy for furnishing all labor, equipment, and materials and performing all work for the project described herein will be received until 2: p.m., Local Time,

SEP-24 1970

SEP 30

In Office of the Commissioner
Department of Public Works
226 Seward Street
Juneau, Alaska 99801

and then publicly opened.

Information regarding bidding material, graphics, and bonds

Plans, specifications and contract documents are available for inspection at:
Director's Office, Division of Buildings, State Capitol Bldg., Juneau, Alaska;
Division of Buildings, 1507 Spar Avenue, Anchorage, Alaska; Division of Buildings;
Room 110, State Court & Office Building, 602 Barnette St., Fairbanks, Alaska;
Associated General Contractors, Alaska Chapter 1515 Tudor Road, Anchorage, Alaska;
Associated General Contractors', Plan Room, Northern Commercial Caterpillar Dept.,
1 Mile Steese Highway, Fairbanks, Alaska; Plan Bureau Office, 324 Fifth Ave., North
Seattle, Washington; Seattle Construction Council (AGC), 215 W. Harrison Street,
Seattle, Washington; Associated General Contractors, Tacoma Chapter, 3820 South
Pine Street, Tacoma, Washington; SCAN, 5815 6th Avenue South, Seattle, Washington.

Plans and specifications are available upon request without charge from:

Director, Division of Buildings
Department of Public Works
Pouch "P," Juneau, Alaska 99801

Guarantee will be required with each bid equal to five percent (5%) of the amount of the base bid. Performance Bond will be required equal to one hundred percent (100%) of the contract. A Payment Bond will be required equal to fifty percent (50%) of the contract.

DESCRIPTION OF WORK: The complete construction of a Pre-engineered metal building of approximately 11,200 square feet, includes foundations, and second floor framing. Interior partitions and electrical and mechanical systems are excluded from this phase of the work.

Information regarding liquidated damages (if any), payments, etc., is attached or made a part of the specifications. Bids shall be submitted on the forms furnished or copies thereof.

PHASE I
PHASE II

SA-318

CONSTRUCTION CONTRACT

(See Instructions on reverse)

CONTRACT NO.

P-451

DATE OF CONTRACT

October 27, 1970

NAME AND ADDRESS OF CONTRACTOR

Bachner-Northwest J.V.
Post Office Box 4-1577
Anchorage, Alaska 99501

CHECK APPROPRIATE BOX

- Individual
- Partnership
- Incorporated in the State of
- Joint Venture

DEPARTMENT OR AGENCY

Department of Public Works for Department of Public Safety

CONTRACT FOR (Work to be performed)

the complete construction of all interior partitions and electrical and mechanical systems in a pre-engineered metal building with two floors for a total of approximately 11,200 square feet.

PLACE

Juneau, Alaska

AMOUNT OF CONTRACT (Express in words and figures)

Two hundred twelve thousand eight hundred dollars (\$212,800.00)

ADMINISTRATION DATA (Optional)

Basic Bid \$212,800.00

THIS CONTRACT, entered into this date by the State of Alaska, hereinafter called the State, represented by the Contracting Officer executing this contract, and the individual, partnership, or corporation named above, hereinafter called the Contractor, witnesseth that the parties hereto do mutually agree as follows:

STATEMENT OF WORK. The Contractor shall furnish all labor, equipment, and materials and perform the work above described for the amount stated above in strict accordance with the General Provisions, specifications, schedules, drawings, and conditions all of which are made a part hereof and designated as follows:

Advertised specifications	--September 1970
Addendum No. 1	--October 2, 1970
Addendum No. 2	--October 12, 1970
Drawings Sheet 2R	--September 1970
Sheet 1 through 15	--September 1970
Addendum No. 1 Sheet S1 through S3	--September 21, 1970

WORK SHALL BE STARTED

within 10 calendar days after receipt of notice to proceed

WORK SHALL BE COMPLETED

January 7, 1970

ADMINISTRATIVE INFORMATION

Change the bid opening date from October 14, 1970 to October 21, 1970

October 21, 1970
2:00 p.m. Local Time

FOR THE OFFICE OF PUBLIC SAFETY
Room 11, Theorem Office Bldg
Joseph P. Murray, Alaska 99501
DIVISION OF CONTRACTS

October 21, 1970

FOR THE OFFICE OF PUBLIC SAFETY
Room 11, Theorem Office Bldg
Joseph P. Murray, Alaska 99501

INVITATION FOR BIDS
(CONSTRUCTION CONTRACT)

DATE

September 29, 1970

NAME AND LOCATION OF PROJECT

DEPARTMENT OR AGENCY

Interim Office Space for the
Department of Public Safety
Phase II
Juneau, Alaska DB-3-0750

State of Alaska
Department of Public Works
Pouch Z
Juneau, Alaska 99801

By (Issuing officer)

Harold D. Strandberg
Commissioner of Public Works
Pouch "Z", Juneau, Alaska 99801

Sealed bids in single copy for furnishing all labor, equipment, and materials and performing all work for the project described herein will be received until 2:00 p.m., Local Time, October 14, 1970

In Office of the Commissioner
Department of Public Works
226 Seward Street
Juneau, Alaska 99801

and then publicly opened.

Information regarding bidding material, guarantee, and bonds

Plans, specifications and contract documents are available for inspection at:
Director's Office, Division of Buildings, State Capitol Bldg., Juneau, Alaska;
Division of Buildings, 1507 Spar Avenue, Anchorage, Alaska; Division of Buildings;
Room 110, State Court & Office Building, 602 Barnette St., Fairbanks, Alaska;
Associated General Contractors, Alaska Chapter 1515 Tudor Road, Anchorage, Alaska;
Associated General Contractors' Plan Room, Northern Commercial Caterpillar Dept.,
1 Mile Steese Highway, Fairbanks, Alaska; Plan Bureau Office, 824 Fifth Avenue,
North, Seattle, Washington; Seattle Construction Council (ACC), 215 W. Harrison
Street, Seattle, Washington; Associated General Contractors, Tacoma Chapter, 3820
South Pine Street, Tacoma, Washington; SCAN, 5815 6th Avenue South, Seattle, Wash-
ington.

Plan and specifications are available upon request without charge from:

Director, Division of Buildings
Department of Public Works
Pouch "Z", Juneau, Alaska 99801

Guarantee will be required with each bid equal to five percent (5%) of the amount of the base bid. Performance Bond will be required equal to one hundred percent (100%) of the contract. A Payment Bond will be required equal to fifty percent (50%) of the contract.

Description of Work: The complete construction of all interior partitions and electrical and mechanical systems in a pre-engineered metal building with two floors for a total of approximately 11,200 square feet. Completion of the building shell, Phase I, scheduled for December 1, 1970.

Information regarding liquidated damages (if any), payments, etc., is attached or made a part of the specifications. Bids shall be submitted on the forms furnished or copies thereof.

STATE OF ALASKA

KEITH H. MILLER, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

POUCH K, STATE CAPITOL - JUNEAU 99501

February 16, 1971

Mr. George Hohman
Chairman,
House Finance Committee
Alaska State Legislature
Juneau, Alaska

Dear Mr. Chairman:

The following information is sent to you in response to your letter of February 1. We apologize for the delay in replying, but the attorney working on the Cook Inlet case was out of the state and we waited for his return to be able to give you a detailed report.

1) EVALUATION OF ATTORNEYS' TIME - Fish and Game

The Assistant Attorney General assigned to Fish and Game in the Juneau civil office spends 85-90% of his time on matters pertaining to that Department. He does give time to other agencies, but since he usually works beyond the 37 1/2 hour work week (40 hours or more), we could consider that 100% of the regulation work week is for Fish and Game. In all circumstances priority is given to requests from F&G.

The Fairbanks office reports that 35% of an attorney's time is spent on Fish and Game matters. 30 cases were tried there last year averaging one day apiece.

The Anchorage DA office reported that 25-30% of an attorney's time was spent on Fish and Game during the past year.

The Department of Law has had no reimbursement from the Fish and Game Department on Inter-Agency receipts. This department was fully funded for the attorneys' time and expenses.

2) INTER-AGENCY RECEIPTS - Department of Law

Fiscal Year 1969-70

Division of Criminal Justice	\$2,200.00
Employment Security Division	92.17
Department of Natural Resources	6,000.00
Department of Commerce	40,004.25
Department of Highways	<u>138,080.69</u>

Total \$186,377.11

Fiscal Year 1970-71 (July 1 through Dec. 31)

Department of Commerce (Prior Yr.)	\$19,600.00
Department of Highways (Prior Yr.)	26,443.25
Department of Highways	<u>21,650.21</u>

Total \$67,893.46

REIMBURSABLES - Department of Law

Fiscal Year 1969-70

Department of Highways	\$82,283.00
------------------------	-------------

Fiscal Year 1970-71 (July 1 through Jan. 31)

Department of Highways	\$64,340.00
------------------------	-------------

3) SCHEDULE OF DELETIONS FOR PROPOSED KODIAK OFFICE

<u>Personal Services</u>		Totals
Attorney IV	\$27,350	
Legal Sec. I	<u>9,744</u>	\$37,094

Travel

If a Kodiak office is not approved, any allocation of travel funds for Kodiak would have to be included for increase in travel for the Anchorage DA office.

--

Contractual Services

Telephone, postage	\$1,844
Rent & Utilities	4,250
Janitorial & Repair	500
Transportation of Things	1,000
Equipment Rental	<u>450</u>

8,144

Commodities

Since the Anchorage DA office would be handling the Kodiak cases, this would increase their office supplies and so we would not estimate a decrease in this category.

--

Equipment

3,500

TOTAL

\$48,738

4) DETAILED NARRATIVE OF THE COOK INLET CASE

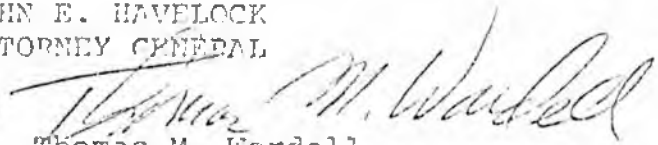
A copy of a memorandum received from the Anchorage civil office is attached.

If you have any further questions, we will be happy to answer them.

Very truly yours,

JOHN E. HAVELOCK
ATTORNEY GENERAL

By


Thomas M. Wardell
Deputy Attorney General

JEH:TMW:rj

Att.

State of Alaska

TO: Dennis M. Marshall
Deputy Attorney General
AGG - Juneau

DATE: February 9, 1971

FROM: James D. Rhodes
Assistant Attorney General
AGG - Anchorage

SUBJECT: Expenses which will probably
be incurred in the Cook Inlet
Case between now and trial in
October

I.

Present status of the case is as follows:

Pre trial brief by the State is due May 1. At that time the State will be required to submit its witness list and make offers of proof. That particular phase of the case is progressing relatively well since an investigator has been assigned to the case full time and two attorneys are presently working full time on the preparation of the trial brief. We have some apprehension over meeting the May 1st deadline in that there is a great deal of discovery that needs to be accomplished prior to that time. As set forth below, the services of additional investigators, perhaps on a contract basis, and the addition of at least one more attorney working half time briefing specific evidentiary problems and related matters should be contemplated.

The trial date of October 1, 1971, is firm. At the trial the State will introduce all of its oral testimony, documentary evidence, present its expert witnesses and make arguments on its claim that Cook Inlet is an historic bay.

II.

The following is a general outline of the preparation which must be accomplished in this case along with an estimate of the cost to the State for each item. Estimated employee travel expenses and per diem allowances are set forth in an approximate amount for preparatory work which involves travel by State employees.

1. *Depositions of U.S. Government officials residing in Juneau, two attorneys

*2 days per diem	\$	200.00	
* Cost of depositions		120.00	
Air fare, Anchorage-Juneau and return		<u>244.00</u>	\$ 564.00

2. *Depositions U.S. Government officials, Anchorage, Alaska

Cost of depositions			200.00
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3. *Depositions of U.S. Government officials, Washington, D.C. At least 4 Federal officials must be deposed in Wash. D.C. Two attorneys attending.			
Air fare to Wash. D.C. and return	\$1,532.72		
Per diem, approx. 3 days	100.00		
Depositional expense	<u>400.00</u>		22,112.52
4. Deposition for preservation of testimony, approximately			300.00
5. Employment of cartographic historian to prepare exhibits, documents and other demonstrative evidence and testify before the court concerning the cartographic history of Cook Inlet			
(a) Approx. cost to the State for contractual services of a cartographic historian for research	4,000.00		
(b) Conference with cartographer in Aug. 1971 preparing him for trial in Alaska (this conference involves bringing cartographer from Berkeley, Calif. to Alaska and return, approx.			
Air fare	354.14		
Expenses	600.00		
Fees	<u>1,500.00</u>		6,454.14
6. *Research assistant to research U.S. departmental digests at the library at the University of Texas in Austin, to be completed by July, approximately			375.00
7. Supplemental research, National Archives, Washington, D.C., by investigator and/or attorney			
Air fare to Wash. D.C. & return	466.66		
Per diem	<u>300.00</u>		766.66
8. Consultation with Fred Ellis, trial attorney for the State of Louisiana in their litigation with the federal government over the coastline of Louisiana			
Air fare to Baton Rouge & return	483.07		
Fee - 10 days at \$300/day	3,000.00		
Expenses	<u>400.00</u>		3,883.07

9. *Witness expenses. Items set forth hereunder include the services of Leo Rouchez, Michael P. Strohl and Robert DeArmond. These three witnesses are the key witnesses for our case.

A. Leo Rouchez			
(1)	Air fare, Anchorage-Amsterdam-Anchorage and return	707.00	
(2)	Professional fee \$400/day - 5 days	2,000.00	
(3)	Expenses	<u>290.00</u>	\$2,997.00
B. Michael P. Strohl			
(1)	Conference July 1971 for witness preparation, air fare Paris, France - Anchorage and return	707.00	
(2)	Professional fee, 7 days at \$300/day	3,100.00	
(3)	Expenses	250.00	
(4)	Return to Anchorage for trial on the merits - air fare Paris - Anchorage and return	707.00	
(5)	Professional fee, \$300/day for 15 days	4,500.00	
(6)	Expenses, 15 days	<u>450.00</u>	9,714.00
C. Robert DeArmond, Alaska Historian, for trial and consultation prior to trial.			
(1)	Air fare Juneau-Anchorage and return	122.00	
(2)	Professional fee \$100/day for 25 days	2,500.00	
(3)	Expenses	<u>725.00</u>	3,347.00

10. Attendance expense for chief trial counsel to observe the rebuttal testimony of the State of Louisiana v. U.S. in Louisiana

Air fare Anchorage-New Orleans and return	600.00	
Per diem, 7 days at \$30/day	<u>210.00</u>	810.00

*11. A. Future Investigation

Included within the estimated cost are the various trips which must be made by investigators for the State. This investigation involves travel around Alaska interviewing witnesses who will be able to testify at the trial concerning any past activities of the Federal government, more specifically the Bureau of Fisheries and Wildlife in Alaska. Fishermen who have been

6,000.00 witnesses for two days
 100 per day for 100
 and return. The expenses are estimated
 travel from their homes to Anchorage
 for the witnesses including their
 State is obligated to pay expenses
 In addition to the State fee, the

2,400.00
 upon service of the subpoena, which
 witness fee which the State must pay
 Each witness is entitled to \$24.00
 State, and Court Guard officers,
 man agents, boatmen, salaried oper-
 and pass from and Wildlife officer-
 owners, ex U.S. Commissioners, present
 fishermen, sea captains, vessel
 These witnesses will include old
 cases in the Cook Inlet case.
 nearly 100 persons as general wit-
 The State will probably call approxi-

12. General witness fees and expenses.

2,700.00
 State for such services as
 leads. The approximate cost to the
 directly to follow up on specific
 State with investigators hired ex-
 stituted will be done on a contract
 a portion of the investigator as-

2,000.00 Alaska equals, approximately
 for travel to various points within
 Rental of automobiles and air fare

3,000.00
 money,
 by an investigator earning per diem,
 these days should be spent in the field
 to 100 of
 witness fee to State. A general esti-
 there are 250 days left before this
 part of traveling by the investigator.
 part of work in the field and a great
 time consuming and requires a great
 of money, which should be expended
 most general witness. This will
 the State will be able to pay the
 money and the procedure for obtaining

State of Alaska
 Department of Justice
 Anchorage, Alaska

These matters have already been undertaken and are in various stages of completion. The estimated expenses outlined above should be taken as the minimum. It is suggested that a "buffer" of approximately \$5,000.00 be added to the total above for miscellaneous expenses and unforeseen costs.

It must be pointed out that unforeseen expenses will undoubtedly occur. For example, the deposition of the Federal Star and Writings employees will almost certainly produce the names of other persons who must be deposed. This number is unpredictable.

225.00	Professional fees (no expenses, no per diem)
250.00	Copying of the materials, approx.
650.00	Preparation of exhibits. These exhibits will include paraphrases for presenting the exhibits, such as maps, stands and so forth, and preparation of maps, approx.
5,000.00	Overtime for Secretary at \$5.00/hr. approx. 200 hours
<u>5,925.00</u>	
2,275.00	13. Professional testimony concerning construction of Cook Hotel, along with introduction of photographs by Ward Wells, photographer
10,035.00	14. Professional testimony concerning construction of Cook Hotel, along with introduction of photographs by Ward Wells, photographer
21,375.00	15. Professional testimony concerning construction of Cook Hotel, along with introduction of photographs by Ward Wells, photographer
700.00	16. Professional testimony concerning construction of Cook Hotel, along with introduction of photographs by Ward Wells, photographer
2,275.00	17. Professional testimony concerning construction of Cook Hotel, along with introduction of photographs by Ward Wells, photographer

Ward Wells
Photographer

May 18, 1971

Representative Leslie "Red" Swanson
Box 3
Nenana, Alaska 99760

Dear Representative Swanson:

In past years it was possible to go through the budget and pull out new positions added by district; this year it is not. This year on approximately the sixtieth day of the session the Governor reduced the original requests to the program maintenance level* and then authorized certain "shuffling" of funds within this program maintenance level to accomodate some new program starts. The picture was further confused in that agencies were recently authorized to draft their proposed operating budgets for approval by the Department of Administration (the submission and approval dates are still several weeks away). In brief then, we do not know how many new positions are to be located in any specific area of the state.

The funds for your district that can be identified are mainly those capital projects. Briefly, the project funds are as follows:

Revenue Sharing

Shared taxes and revenues are not broken out and published to show their distribution. This is one of the things I intend to do during this interim period but have not had the chance to do yet.

*Program Maintenance Level - Cost of conducting a program or activity at the current year level. It includes services to additional clients, more intensive care to existing clients, increases in output and higher standards of service.

Under the municipal services revenue sharing program communities should receive approximately what they received during the current fiscal year. For your district the figures are:

Anderson	\$ 7,550
Anvik	475
Grayling	645
Holy Cross	6,990
Huslia	4,875
Kaltag	2,150
Lower Kalskag	900
Nenana	21,475
Nulato	2,295
Tanana	8,790
	<u>\$56,145</u>

Dept. of Education

Funds were included for the following school construction and additions.

Nenana High School multipurpose facility	\$850,000
Galena, two relocatable classrooms	150,000
Healy multipurpose facility	400,000
	<u>\$1,400,000</u>

Dept. of Natural Resources

Tanana State Fair Building (your district?)	\$50,000
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Dept. of Fish and Game

Fisheries Rehabilitation Program	\$180,000
plus \$770,000 in the operating budget for Stream Rehabilitation	\$950,000

The detail on where these funds are to be spent was never spelled out. It is the Governor's program and you might chose to discuss with him setting aside a portion of the expenditures for your district.

Dept. of Public Works

Under International Trunk and Secondary Airport projects \$22.5 million in federal funds was appropriated, including \$10.5 million in federal funds to match funds already appropriated under the

May 18, 1971

1970 airport construction fund (the 1970 general obligation bond issue for airport construction). What this means in brief is that roughly \$20.5 million is available for construction and improvements at airports, divided roughly 50/50 between bush airports and trunk and secondary airports. The priorities for this construction were established in legislative intent of last year and included reference to Kaltag and Nulato. Thus, these two facilities should share in the additional federal monies appropriated to match last year's bond fund monies. Again, specific project amounts and definite priorities should be established with the Commissioner of Public Works.

The capital appropriations for last year also included funding for additional airport projects at McGrath and Galena. Again some of the newly appropriated federal funds could be destined for improvements at these two airports as a match for the previous state funds appropriated.

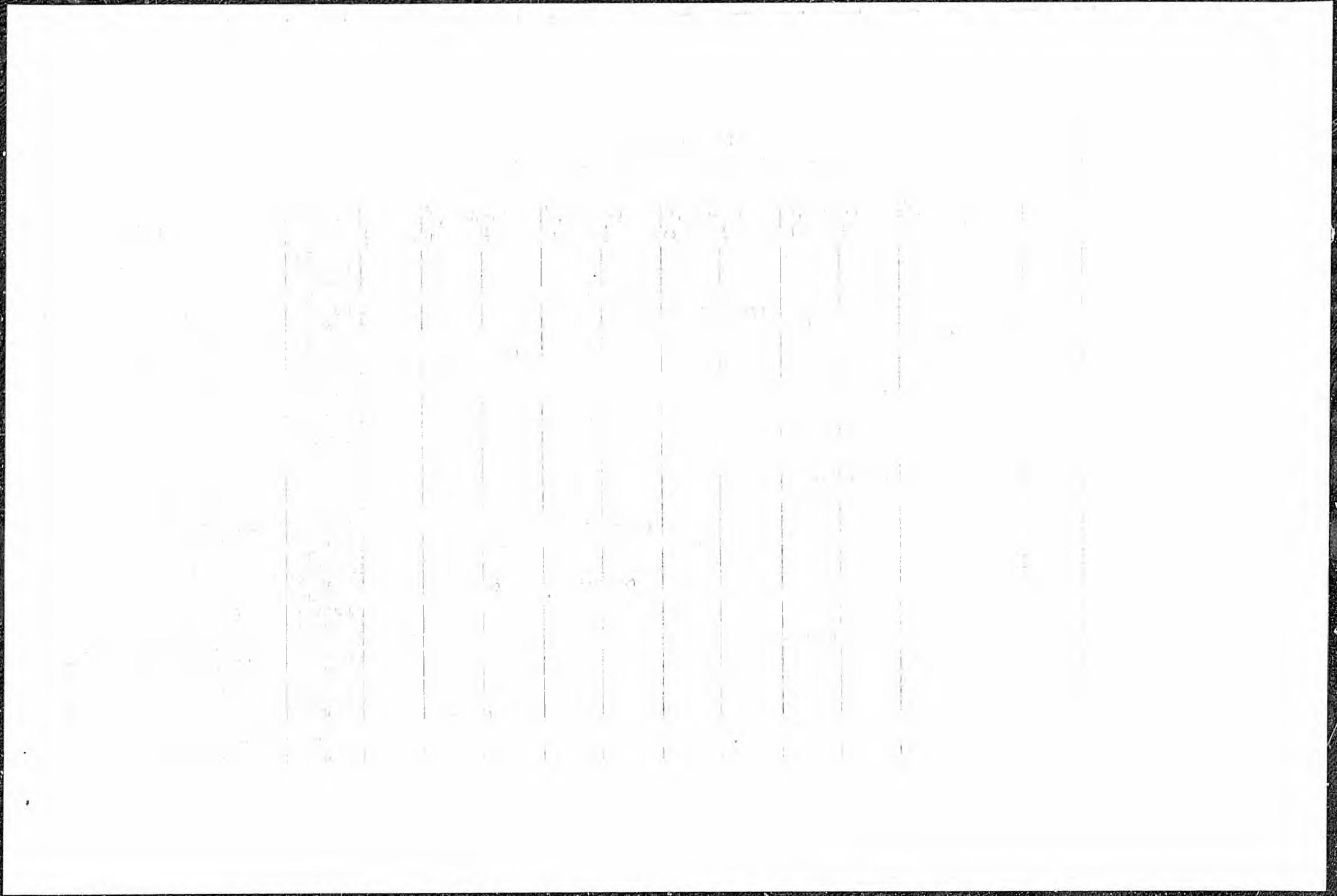
Dept. of Highways

Enclosed are copies of construction schedules from the latest Five Year Highway Construction Program. The information covers three types of projects -- primary highways, secondard highways and the emergency highway program. The bar graphs give you an estimation of total project costs and the approximate timing of the project; the tables for fiscal year 71/72 and prior years will give you the information concerning work to be done this fiscal year.

Sincerely yours,

J. H. Hogan
Fiscal Analyst

Encl.



1870
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